U.S Congress. Congressional Record.

Appendix

NOTICE

The last issue of the daily Congressional Record for the first session of the Eighty-seventh Congress will be published not later than Tuesday, October 17, 1961. It is requested that copy and proofs of speeches withheld for revision, or extensions of remarks as authorized by either House, be submitted to the Government Printing Office or to the Congressional Record Clerk, Statuary Hall, Capitol, before that date.

By order of the Joint Committee on Printing.

CARL HAYDEN, Chairman.

Russian Colonialism, the U.N., and House Resolution 211

EXTENSION OF REMARKS
OF
HON. DANIEL J. FLOOD
OF PENNSYLVANIA
IN THE HOUSE OF REPRESENTATIVES
Wednesday, September 27, 1961

Mr. FLOOD. Mr. Speaker, recently I addressed this body on the subject of "Hammarskjold, the Russian Troika, and the Necessity of a Special House Committee on Captive Nations"—CONGRESSIONAL RECORD, September 21, 1961, pages 19333–19337. My chief theme was the central issue of colonialism in U.N. Assembly debate and the urgency for us to pinpoint this on the only real remaining imperialist and colonial power on earth, namely Russia, operating both within the U.S.S.R. and beyond this legalistic facade.

It was most gratifying to witness the President emphasizing this very point in his address to the U.N. Assembly. His remarks underscore further the necessity of a Special House Committee on Captive Nations. Relevant to the issue of colonialism, I request that the remarks made by the President be printed in the RECORD. I also ask that the congratulatory telegram sent by Dr. Lev E. Dobriansky, chairman of both the Ukrainian Congress Committee of America and the National Captive Nations Committee, be printed in the RECORD:

FAVORS U.N. DEBATE ON COLONIALISM

My country favors a world of free and equal states. We agree with those who say that colonialism is a key issue in this Assembly. But let the full facts of that issue be discussed in full.

On the one hand is the fact that, since the close of World War II, a worldwide declaration of independence has transformed nearly 1 billion people and 9 million square miles into 42 free and independent states. Less than 2 percent of the world's population now lives in "dependent" territories.

I do not ignore the remaining problems of traditional colonialism which still confront this body. Those problems will be solved, with patience, good will and determination. Within the limits of our responsibility in such matters, my country intends to be a participant, not merely an observer, in the peaceful, expeditious movement of nations from the status of colonies to the partnership of equals. That continuing tide of self-determination has our sympathy and our support.

But colonialism in its harshest forms is not only the exploitation of new nations by old, of dark sins by light—or the subjugation of the poor by the rich. My nation was once a colony—and we know what colonialism means; exploitation and subjugation of the weak by the powerful, of the many by the few, of the governed who have given no consent to be governed, whatever their continent, class or color.

And that is why there is no ignoring the fact that the tide of self-determination has not yet reached the Communist empire where a population far larger than that officially termed "dependent" lives under government installed by foreign troops instead of free institutions—under a system which knows only one party and one belief—which suppresses free debate, free elections, free newspapers, books and trade unions—and which builds a wall to keep truth a stranger and its own citizens prisoners. Let us debate colonialism in full—and apply the principle of free choice and the practice of free plebiscites in every part of the globe.

The PRESIDENT,
The White House.

DEAR MR. PRESIDENT: Your remarkable and forward-looking address to the U.N. Assembly earns the admiration and appreciation of every American. We heartily endorse the forthright challenges you offered to that body in a spirit of humanism and reason. Your challenge to discuss in full the subject of colonialism throughout the Communist empire, meaning within the Soviet Union itself, has our strongest support. On this we look forward to a full and courageous disclosure of all the facts.

With warmest personal regards,

Sincerely,

LEV E. DOBRIANSKY.

We're Moving to the Left

EXTENSION OF REMARKS
OF
HON. WALLACE F. BENNETT
OF UTAH
IN THE SENATE OF THE UNITED STATES
Wednesday, September 27, 1961

Mr. BENNETT. Mr. President, I ask unanimous consent to have reprinted in the Appendix of the RECORD an editorial from Missilani, an employee publication of the Hercules Powder Co. for Friday, September 22, concerning the current trend of American banking. I believe this editorial contains a message which should be read by every American.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

WE'RE MOVING TO THE LEFT

A recent survey taken by Opinion Research Corp. of Princeton, N.J., of senior students in an eastern high school revealed some astonishing facts and provides Herculites and all other Americans with something to think about.

Of the students interviewed, 61 percent did not believe in profits; 62 percent thought workers should not produce at top capacity, and 55 percent endorsed the Communist philosophy, "From each according to his ability; to each according to his need."

Another survey of high school and college students revealed that a large majority of young people expect Government to provide more and more varied personal services to the public. They voiced little objection to deficit spending and increased taxation to acquire these services.

Slowly, but relentlessly, we follow the path to socialism, the destruction of personal ambition and our free enterprise system. The welfare state looms larger on the horizon with each passing day.

The apparent lack of understanding and appreciation of our system and its inherent benefits—our high standard of living, of freedom of choice and personal liberties—poses a real and dangerous problem for industry, educators, and parents.

It seems obvious that our youth have no basic understanding of the things which have made America a bulwark of freedom. Gone is the emphasis on personal ambition, integrity, devotion, and self-sacrifice. No longer do we feel the necessity to pledge allegiance to God, country, family, employer, or anyone or anything else. It's no longer a question of what can I give, but what can I get.

We have forgotten that we get only by giving. We fail to recognize we never receive something for nothing. We always have to give; what we're giving now is our freedom, self-respect, and integrity.

A century ago, Abraham Lincoln, our 16th President, gave utterance to a thought applicable to his time and ours:

"You cannot bring about prosperity by discouraging thrift. You cannot strengthen the weak by weakening the strong. You cannot help the wage earner by pulling down the

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wage payer. You cannot further the brotherhood of man by encouraging class hatred. You cannot help the poor by discouraging the rich. You cannot establish sound security on borrowed money. You cannot keep out of trouble by spending more than you earn. You cannot help men permanently by doing for them what they could and should do for themselves."

It seems ironic that a nation of great fighters—fighters for freedom, justice, honor, improvement, prosperity, and the dignity of man—stands in jeopardy of losing its greatest and most important battle by default.

The Secretary of the Interior Visits the Ozarks

EXTENSION OF REMARKS
OF
HON. RICHARD (DICK) ICHORD
OF MISSOURI
IN THE HOUSE OF REPRESENTATIVES
Wednesday, September 27, 1961

Mr. ICHORD of Missouri. Mr. Speaker, on September 21 and 22, I was privileged to accompany Secretary of the Interior Stewart L. Udall on a visit to the Ozark rivers region of Missouri. It was quite plain to those of us who joined Mr. Udall on his trips down the Current-Eleven Point Rivers system that he was impressed and delighted with our hill country and that he enthusiastically endorses the legislation now pending to preserve this area, which he termed "awe inspiring."

The Secretary stated:

My recommendation from now on is that it be given the highest classification possible by the Park Service. This area should be a national park.

The following excerpt from the St. Louis Post-Dispatch of September 25, 1961, reflects Mr. Udall's views:

UPGRADING THE OZARKS

Missouri and the people of the Ozarks will benefit from Secretary of the Interior Udall's suggestion that the status of a national park be given to the Current, Eleven Point, and Jack's Fork region. Mr. Udall for the first time has enjoyed the beauty of the Ozark hills and forests and fished the clear, free-flowing streams. He knows the outdoors and is at home in an old pair of pants with a fishing rod in his hand. The importance of preserving the wilderness beauty of the Ozark Rivers for all Americans now is not lost on him.

But before this can be done, as Mr. Udall pointed out, all members of the Missouri congressional delegation must be behind legislation to create a national park in the Ozarks. Mr. Udall has offered to confer with Republican Representative CURTIS, the author of a rival plan for preservation of the rivers by the National Forest Service.

In view of Mr. Udall's enthusiastic endorsement of a national park for the Ozarks, we hope Mr. CURTIS will now add his support to the Symington-Long-Ichord bill to preserve the area under the administration by the National Park Service. Mr. CURTIS has said he will support any reasonable plan.

Representative PAUL JONES has reported some opposition by his constituents in Ripley County to the Park Service plan, and has taken no position on either bill. We hope that Mr. JONES and the people of Ripley County will back the Park Service plan. If not, perhaps the boundaries could be redrawn to exclude the area of opposition.

A simple amendment to the Symington-Long-Ichord bill is all that is needed to create a national park. No changes in sections of the bill calling for hunting and for life occupancy of land taken for a park are contemplated. While the distinction between a national park and a national monument are slight, park status, in the words of Mr. Udall, "upgrades" the project. A national park is a place of outstanding scenic beauty that should be preserved for the benefit of all Americans.

Ted Fearnow, of U.S. Forest Service, Offers Wise Conservation Philosophy in Address to Rotary Club of Elkins, W. Va.

EXTENSION OF REMARKS
OF
HON. JENNINGS RANDOLPH
OF WEST VIRGINIA
IN THE SENATE OF THE UNITED STATES
Wednesday, September 27, 1961

Mr. RANDOLPH. Mr. President, earlier this month the Rotary Club of my home city of Elkins, W. Va., was privileged to hear an address by Ted Fearnow, Chief of the Division of Information and Education of the Eastern Region of the U.S. Forest Service. Mr. Fearnow, who has been affiliated with conservation work since 1927, when he joined the West Virginia Game and Fish Commission, drew upon more than 40 years of experience in this field in presenting an eloquent exposition of the progress and the goals of conservation policy in our national forests.

His remarks are of value to all of us, Mr. President, as we deliberate on the development and conservation of our natural resources, and I ask unanimous consent that they be printed in the Appendix to the RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

ADDRESS BEFORE ROTARY CLUB, ELKINS, W. VA., SEPTEMBER 11, 1961, BY TED FEARNOW, CHIEF, DIVISION OF INFORMATION AND EDUCATION, EASTERN REGION, U.S. FOREST SERVICE

One of the privileges I claim for long tenure is the right to reminisce. I recall that West Virginia has produced some outstanding men in the field of conservation. When I started to work for the old West Virginia Game and Fish Commission back in 1927, I had the privilege of working as an understudy to the late A. B. Brooks, one of the grandest men I have ever known. He was a naturalist, a conservationist, and a lover of the hills and streams of this State. His ability as a writer was such that he has become known throughout the world of professional conservation workers. He is quoted frequently among the top-ranking conservationists of this country.

As I look back over the years, another man who stands out in my memory is the late Arthur A. Wood, who for many years was supervisor of the Monongahela National Forest. "Arthur A." was born over on Lost River, and worked his way up through the ranks to become Supervisor of the Monongahela National Forest. Many of the beautiful forest plantations, recreation areas, and campgrounds that we enjoy are monuments to his foresight. He was truly a man of vision.

There are many definitions of the word "conservation." Perhaps the best definition is wise use. In the realm of renewable resources, nonuse is not always conservation. Those who have grown up on farms know that to abandon land is not necessarily land conservation. The same is often true in the case of forest acreage. The thriftily managed forest offers many significant advantages over a stagnated, over age, decadent forest. From the standpoint of deer and other browsing animals, harvesting of timber actually stimulates the production of needed food plants. Wild turkey and ruffed grouse require openings in the forest where grass and other green foods are available. Prof. Aldo Leopold, one of our pioneer wildlife biologists, always stressed the fact that good wildlife habitat is a phenomenon of the forest edge, where old growth, young timber, brush land, and open land occur in close proximity.

We are hearing a lot these days about the value of outdoor recreation and tourism as a means for strengthening the economy in West Virginia. After some 40 years of working toward this objective I am extremely sympathetic to this effort—but I can't escape the feeling that we may be attempting to oversimplify a difficult and complex situation. You folks here at Elkins have had an opportunity to witness at close range a 40-year sustained effort to rebuild and develop the mountain forest empire of central West Virginia for this very purpose, so you know it is not an overnight job. We are still faced with a tremendous need for pollution control, flood control, and eradication of scars that have been made on the land.

I first became acquainted with the work of the Monongahela Forest back in the twenties when I was working for the State in game and fish conservation at Charleston. At that time the burning problem—and I mean just that—was prevention and control of forest fires. It took 20 years to turn the tide in this battle, but until it was won no real development program could safely be launched.

Later, the problem of open-range grazing was tackled. As long as cattle and sheep roamed through the hardwood forests, wildlife restoration and timber management were thwarted. It has taken many years of planning and hard work to lay the foundation for what you now have.

Even now, the reconstruction process continues, for timber currently being sold from the Monongahela Forest is chosen with special emphasis on stand improvement. It is often a thinning and weeding operation. The value of the timber resource is not fully reflected in present timber sale receipts, important as these are to the local communities which share in this income for schools and roads. In the spirit of true conservation, the Monongahela Forest is upgrading its forest resources so that they may better serve West Virginia and the Nation for countless generations in the future.

Now, a survey of outdoor recreation resources is being completed on the Monongahela. After 40 years of backbreaking work, the forest stands at the brink of significant advancement in the field of outdoor-recreation development.

If you want to catch a glimpse of the future, pay a visit to Sherwood Lake camping and picnic areas on the White Sulphur Ranger District. These examples of accomplishment, which can be seen on the ground by all who choose to look, are no accident. They are the result of careful planning and faithful execution by competent and dedicated men over a long span of years.

Through sustained effort, working under long-range plans toward a definite goal, the foundation has been laid for a million-acre multiple use area in central West Virginia that will benefit every segment of our population. The broad patterns of land

uses—water, wood, forage, recreation, and wildlife—will serve the greatest good of the greatest number in the long run.

By way of illustration—the forest road system which taps timber to keep local industries in operation also provides access for hunters, campers, and tourists who can relax and enjoy the scenic wonders that are enhanced by a thrifty, well-managed forest. One of the points that surprises many people is that harvesting of timber under good practices actually enhances recreational values in our West Virginia mountains. Forage for deer, our major big game species, is definitely increased by systematic cutting of timber. Furthermore, a thrifty, growing forest is more attractive and far safer for public recreation use than one which is decadent and full of "widowmakers."

Under multiple use management the campground which serves tourists and other visitors during the summer months becomes a sportsman's camp area during hunting and fishing seasons. I have seen the large grassy plots that are frequently a part of public recreation areas on the national forests, serve as food plots for game animals during the critical late winter and early spring months. There is a human aspect also to this matter of multiple use.

Personnel who are employed during the summer months through operation of recreation facilities often round out yearlong employment by working during the winter months in timber operations. Multiple-use operation is the key to getting the most mileage from our forest acreage from a natural resource point of view—it is also the key to maintaining our human resources by providing substantial yearlong employment opportunities.

Recreation is as much a part of the forest as the trees themselves. Whether it be a small woodlot, a farm forest, or a million-acre national forest, the appeal to our asthetic sense is such that we find it hard to resist. Under the multiple use principle of management, where wildlife, water, wood, recreation, and forage needs are being met, ideal situations are created for recreation enjoyment. The Forest Service is anticipating a total of 100 million recreation visits to the national forests of the country during 1961. The national forests of today are truly America's playgrounds.

The program I am describing does not require new legislation for it has been recognized and supported by one administration after another without regard to political parties. It was recognized 50 years ago when the Weeks law authorized the purchase of land for national forest purposes in West Virginia and other States. The last session of Congress passed a multiple-use law, further emphasizing its support for this plan of management. The present session has stepped up its authorization for expanded recreation facilities and an accelerated program of resource development and management for the national forests. We are on our way.

Of course, it would simplify matters if we had enough land to set aside separate areas for recreation, timber growing, grazing, hunting, water production, and other important uses. But the simple fact is that we do not have this much land. The United States is fortunate in having 8 percent of the world's forest area. But Soviet Russia has more than twice as much. What we lack in area we must make up in scientific management and full utilization. The necessity for making the fullest possible use of our forest areas is obvious.

While we conserve and develop our natural resources to build a beautiful America, we must also build a fruitful and productive America if we are to remain strong and have the freedom to enjoy our natural heritage.

At the time the Monongahela National Forest was created some 40 years ago, four out of five Americans lived in a rural or farm oriented environment. Today the figures are reversed—four out of every five Americans live in a city or suburban environment. This shift of population is having many effects on our national posture. It is particularly noticeable in the need for outdoor recreation and better public understanding of resource conservation problems. We are stepping up our efforts to take conservation education into these urban areas to develop a full realization of our dependence upon renewable resources of the land for our national strength.

At the present time, the Forest Service, with the help of the USDA motion-picture service, is developing a series of conservation motion pictures for nationwide distribution. Using a ranger, his wife, and teenage daughter as the principal characters, along with a city cousin who visits the ranger's family, an opportunity is provided for the ranger's young daughter to set the city cousin straight on dozens of matters dealing with outdoor life. It is a matter of deep pride to me and to all West Virginians that the Monongahela Forest was chosen to provide a background of good multiple-use land management for educational pictures of this type. When they are completed, these films will be shown in schools throughout the country. Scheduled for weekly showing over a period of 6 weeks, I hope city schoolchildren will develop a warm acquaintance with the ranger and his family and absorb much of the vital conservation information that is incorporated in these films.

Full development of renewable resources is essential to our survival as a strong and free nation. Water, wood, recreation, forage, and wildlife are inseparably linked with sound coordination and planning under the multiple-use management principle. With diligence, competence, and foresight, forested lands can be made to contribute to the future welfare of the Nation for countless generations.

Tribute to Billy Carmichael

EXTENSION OF REMARKS
OF
HON. HERBERT C. BONNER
OF NORTH CAROLINA
IN THE HOUSE OF REPRESENTATIVES
Wednesday, September 27, 1961

Mr. BONNER. Mr. Speaker, under leave heretofore granted to extend my remarks in the CONGRESSIONAL RECORD, I wish to include an article entitled "Tribute to Billy Carmichael," at this point in the RECORD:

TRIBUTE TO BILLY CARMICHAEL

(Remarks of Dr. Frank Porter Graham, United Nations representative to India and Pakistan)

Last night, this noon, and tonight have in common their occasions of remembrance. Last night the 1088th presentation of Paul Green's beautiful symphonic drama by the able and devoted cast and chorus, the address of David de Boinville, and the large and enthusiastic audience, all combined to commemorate the 374th anniversary of the birthday of Virginia Dare. Conceived in England and born in America, she was the prophetic symbol of the British Empire and the American Nation yet to be born. The spiritual cornerstone of both the Empire and the Republic was laid on these historic shores in the times of Elizabeth the First. In these days of Elizabeth the Second, the Garden within these gates which bears both their names and which is nurtured by the women of the North Carolina garden clubs reminds us in this hour of the world's peril that America, Britain, and the allied nations stand together for freedom and peace on the earth.

We remember the lost colonists as the pioneers of the pioneers, who came after them and, with Bibles, axes, muskets in their hands and homesteads in their hopes, crossed rivers, mountains, prairies, plains, and the mountains again, another sea—making America both to the pattern of their often haphazard, sometimes ruthless and always relentless wills and to the substance of their unresting dreams.

At noon today was commemorated the cooperation of the three institutions of the Consolidated University of North Carolina nationally distinguished in faculties, libraries, laboratories, and in many values and services to truth, to youth and to the people of America and the world: (1) the Woman's College, fairest daughter of the old north State and one of the foremost and largest colleges of liberal arts for women in the world; (2) the North Carolina State College, which has moved into the front rank of the land grant colleges with eminence in agriculture, engineering, textiles, and architecture, and which this year will inaugurate in the Nation the celebration of the centennial of the Morrell Act marking the beginning of one of the most revolutionary and creative chapters in the history of higher education and in the making of a more democratic, productive and abundant America; (3) the university at Chapel Hill as old as the United States and as young as her most aspiring youth, the first State university to open its doors as the university of the people, something new under the sun, where hopes are being increasingly fulfilled in its eminence of scholarship and services in the liberal arts, the graduate and professional schools, with high recognition in the Association of American Universities of North America.

These three institutions, in their mutually reinforcing and consolidated strength and wide usefulness and in cooperation wtih our good neighbor Duke University and all our schools, colleges and agencies of the people's life, are all together building under a southern sun in a pleasant land between the mountains and the sea one of the great free, coordinated, integrated, liberal, scientific, agricultural, technological, hospital, medical, library, research, intellectual, humane, and spiritual centers of the modern world.

All these, the pioneers, the events, movements, and institutions, converge and meet in the meaning of this place and this night, dedicated in grateful memory to the pioneering spirit, the dynamic personality and noble services of William Donald Carmichael, Jr. As successor to the ably versatile and devoted Charles T. Woollen, the first controller, and as himself the first financial vice president of the University of North Carolina, Billy Carmichael gave the utmost of his boundless energies, drive, imagination, and creative spirit evenhandedly to each of three institutions in their services to student and people, State and Nation as the threefold university of all the people of North Carolina.

Billy Carmichael left the opportunities of the New York Stock Exchange and the generous lures of Wall Street at the call of his lifelong friend but more at the call of his alma mater and the consolidated university, which shared the top priority of love with his wife and family, his church, and his native State.

Any honest differences of opinion were part of the vigor, variety, and creative freedom of the university and merged in the higher loyalty and deeper and wider meaning which enriched and transcended the life of us all. It was a great joy to this and other presidents who all appreciated his great de-

votion and generous capacities, to work with him as a loyal and dynamic member of the consolidated team in great adventures of mind, spirit, and action for the advance of the whole university in the services of all the people of the whole State.

Along with Governors, legislators, presidents, chancellors, and business managers, professors and staff, Billy realized full well that what the university was created for and lives to fulfill, is to provide the distinguished and devoted scholars and teachers with books and equipment for transmitting the human heritage; for finding and publishing new truth; for challenging the minds and developing the total victorious personality of every youth to the height of his or her capacity in a free and wholesome self-governing community of teachers and students; for their competence on the job and for integrity and excellence in their standards of life and work; and for special and civic services in the locality and in the wide world in need of the best which youth has to give this generation and the generation to come.

Billy was ever valiantly in the midst of it all—tireless but humorous, winsome and witty, industrious and jolly. What fun it was to be in teamwork together for this and that, whether large appropirations for all three institutions, higher faculty salaries, books and test tubes, building programs, research facilities, publications, athletics, religious life, student welfare, the Statewide hospital and medical program, business foundations, endowments, student scholarships, fellowships, et cetera, including, for example, the university sponsorship of the lost colony and the university war programs in which were trained over 35,000 young men for the fighting fronts from which many never returned.

A gallant comrade has gone to join them. Their immortal spirits and influences cluster with us here on this Billy Carmichael Night in eternal vigil over the university, the freedom of our country and peace in the world, for which they all gave the last full measure of devotion.

In these days of the precarious peace of deterrent terror, may this commemoration mean a rdedication of us all to freedom and peace through excellence in education, and a more enlightened, stronger and more effective United Nations. May the life and work of Billy Carmichael and all those who have labored and now labor in and through our threefold universities and all our schools and colleges, become a part of the structure and substance of man's unresting dream of building on the earth a noble home of the family of man for equal freedom, justice, and peace under law and human brotherhood under God in this age of mortal peril and immortal hope for all mankind.

Welfare Services Available to Migratory Farmworkers

EXTENSION OF REMARKS

OF

HON. HARRISON A. WILLIAMS, JR.

OF NEW JERSEY

IN THE SENATE OF THE UNITED STATES

Wednesday, September 27, 1961

Mr. WILLIAMS of New Jersey. Mr. President, during this session of Congress, we have frequently been impressed with the fact that the affluence of American society does not extend to the migratory farmworker and his family. Migratory farmworkers who in 1959 earned an average of $911 for farm and nonfarm work, are the lowest paid citizens in our society. Because of their inadequate, substandard income, migratory farmworkers are in acute need of the welfare services generally available to other citizens. But the harsh fact is that the transient nature of the migrant's work frequently prevents him from meeting residence requirements which would enable him to obtain these services.

The defects in our national and local welfare policies which produce these problems were most informatively discussed in a September 6 article in the Pine Bluff (Ark.) Commercial. In noting the inadequacies of these policies, particularly as they affect transients, the article points out:

An arresting irony of the situation is that general assistance is the only non-Federal welfare category. It is the only kind of money available to the transient whose resources collapse when he is just passing through.

Because the article recognizes the injustice of welfare policies which exclude migrants, and because it recognizes the need of the migrant for welfare services generally available to other citizens, I ask unanimous consent that the article appear in the RECORD at this point.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

WELFARE, 5—MIGRANT NEEDY

Federal involvement in welfare aid may be regrettable, but is it avoidable?

The needy pay little heed to State lines.

The welfare crusaders of Newburgh, N.Y., claimed that they were carrying a load for which responsibility belonged to Southern States. There is some justice in what they say. But the larger question is how responsibility for an individual welfare recipient can be assessed to any locality, at least in many cases.

There must be many Newburgh welfare recipients who grew up in Virginia or North Carolina, who worked a few years in Washington or New York City, and who have since drifted into Newburgh. Whether they were employed for a while at Newburgh has been an issue of fact in the controversy, but does it really matter very much? How can the needs of any person who has been on such a hegira be charged against any specific State or city of the country.

One of the strongest objections which has been made to present welfare policies is that they tend to exclude transients. There are many thousands of Americans wandering around the country today—some of them migrant farmworkers—who are sick, hungry and desperately in need of help.

Senator HARRISON A. WILLIAMS, of New Jersey, the chairman of the Senate Subcommittee on Migratory Labor, estimates the migrant farmworker population, including women and children, at "as many as 2 million. He says that the workers in this group earned an average of $710 on farms plus $201 of nonfarm income in 1959. This is by no means the whole of the migratory needy, although it is perhaps the bulk of the problem.

Because welfare programs are so heavily financed by the Federal Government, there are many complaints from social workers and interested organizations about transient exclusion policies.

In Arkansas, for example, welfare grants totaled $38,143,747 in fiscal 1960, with $29,115,489 of this coming from the Federal Government.

A goodly percentage of the migrant needy move through Arkansas on their rounds but they get precious little welfare money.

In Arkansas, to qualify for most types of assistance, one must have resided within the State either for 3 of the last 5 years or for 5 of the past 9 years—with all of the past year spent in residence.

These new and stiff requirements were set up by the 1961 Arkansas Legislature. They are the stiffest permitted by Federal law and, it may be noted, are much stiffer than those which provoked angry outcries from liberals at Newburgh, N.Y.

About the only important exceptions to them are aid to dependent children, on which a 1-year residence requirement is the maximum permitted in any State, and general assistance, the relief of the good old days, before the Federal Government got into the picture.

An arresting irony of the situation is that general assistance is the only non-Federal welfare category. It is the only kind of money available to the transient whose resources collapse when he is just passing through.

General assistance also is used for a wide variety of other human needs—for all the things that don't fit into the neatly compartmented "categorical assistance" categories, such as aid to dependent children, aid to the totally and permanently disabled, and so forth. Our impression is that most of it does not go to transients. Even if it did, it would not go far to meet their needs. Officials at the Jefferson County Welfare Department estimate that they have an average of $400 a month to disburse for general assistance—the figure varies.

"Not too many [transients] come by the office," says a spokesman.

The transient in trouble in Pine Bluff is more likely to turn to private agencies, such as the community chest.

Chest officials will ask him where he is going. They will then provide him with (1) one meal, and (2) gas or a bus ticket to get him part way there. More likely than not, the chest assistance will get the transient to Little Rock. At Little Rock, he will hunt up another charity which will give him transportation to St. Louis, for example—or most of the way to St. Louis if the agency's funds are low.

In some States, this sort of transient aid is routinely given by county and city welfare departments—sometimes only to the nearest out-of-county city. It is not difficult to envision a family of transients caught on this sort of a merry-go-round and traveling for weeks on end.

Newburgh, the locus of the big welfare fuss of 1961, is a community with many economic problems, including a high rate of unemployment. It seems a fair guess that many Newburgh residents are drifting around the country, hitting up public and private agencies in other cities for aid, just as Newburgh is being hit up by people who didn't happen to live in Newburgh when they went poor.

The Record of the 1st Session of the 87th Congress

EXTENSION OF REMARKS

OF

HON. CARL ALBERT

OF OKLAHOMA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 27, 1961

Mr. ALBERT. Mr. Speaker, the 1st session of the 87th Congress has been one of the most productive in history.

This record has been the result of the joint efforts of a Democratic Congress and a Democratic administration. It has been likened to the memorable first 100 days of the Roosevelt administration. In March 1933, it was closed banks and soup lines. In January 1961, it was sagging farm prices, rising unemployment, stifled credit, and unfavorable balances of payments.

President Kennedy's watchword has been action—action on behalf of the American economy and action on behalf of American security. His dynamic leadership has strengthened America's position, both domestically and internationally. Where the Eisenhower administration maintained the status quo, the Kennedy administration took the initiative. Where President Eisenhower used the veto, President Kennedy has offered constructive proposals to move America forward.

As his first official act, President Kennedy ordered the distribution of surplus food to those hardest hit by the recession. He urged Congress to enact—and Congress enacted—area redevelopment legislation which President Eisenhower had vetoed. He urged Congress to enact—and Congress enacted—the most comprehensive housing program in more than a decade. He urged Congress to enact—and Congress enacted—a wage and hour statute increasing the minimum wage and broadening coverage under this law for the first time in many years.

The Congress passed and the President signed a feed grains bill. Congress passed and the President signed the most far reaching comprehensive farm bill since I have been a Member of this body. This Democratic Congress passed and a Democratic President signed legislation making 600,000 additional persons eligible for increased social security benefits and earlier retirement. This Democratic Congress, cooperating with a Democratic President, produced 33 major items of legislation for the American people.

The result of all this is a stronger America. Economically, we are looking forward to a year of record prosperity. Every major economic indicator points up. After falling for three consecutive quarters, the gross national product rose by 3 percent in the second quarter of 1961. At least half of this $15 billion increase is due to administration programs. Chairman Walter Heller of the Council of Economic Advisers estimated it will reach a rate of $565 to $570 billion in the spring of 1962. If this estimate is realized, our economy is growing at a rate of nearly 10 percent annually.

Every sector of our economy is expanding. Manufacturing production increased by 11 percent from February to August; in the preceding 6 months, manufacturing output had declined 7 percent. Inventories, responding to higher sales, were growing in contrast to cutbacks early in the year. Business outlays for capital goods—both buildings and equipment—are rising and surveys indicate investment expenditures will pick up substantially by the end of the year. Housing starts are up one-third from the recession low to more than 1.3 million in June, July, and August. Net farm income, estimated at $12.8 billion, will be the highest in 8 years, and net income per farm is expected to set a new record while costly surpluses are being cut.

Individual Americans have more money in their pockets with the personal income rate up $16 billion to a record $422 billion. Extended unemployment compensation, increased surplus food distribution, and the feed grains program added $800 million to private purchasing power. Wages and salaries increased by $13 billion. Corporate profits before taxes stood at $45 billion, an annual rate $5½ billion above the first quarter of the year. Four million more Americans were working in July than in January with experts predicting substantial declines in unemployment in the near future. We are moving rapidly toward full employment, a condition our economy has not enjoyed since early 1957.

In international financing, President Kennedy reversed the drain on our gold reserves, stabilizing the value of the dollar and reassuring the world of the soundness of the American economy. After 16 months of consistent declines, our monetary stock increased this spring. That increase has continued. For the first time since 1958, August reports showed a $17 million inflow of gold.

President Kennedy let our potential enemies and the world know that henceforward we would operate from a position of strength, not weakness, and he backed his words with action. He, with the cooperation of Congress, doubled our Polaris submarine program insuring a full operational fleet 3 years sooner than originally scheduled. He increased long-range missile programs, expanded naval and ground forces, and stepped up troop carrier plane procurement, increasing the mobility of our forces. President Kennedy, with the cooperation of this Congress, has moved to give us alternatives other than capitulation or nuclear holocaust.

John Kennedy stepped into office in the midst of a world terrified by sputniks and frightened by the progress Russia was making in missiles. He answered by stepping up every phase of our space technology, taking the positive position that our space goals in this age were to make the United States not the second best, but the undisputed leader among the nations of the world.

Where legislation was needed, he requested it and the Congress responded with major legislative enactments in almost every legislative field.

We submit to the American people the record of this session solely upon the basis of its value to our people and to the continuation of our way of life. We will enter the next session resolved not to stand on our past record but to move forward with further goals designed to strengthen our country and to expand our economy.

We have no alternative but to move forward. The standard of living of our people demands it. The security of our country and of the free world demands it.

With the death of Dag Hammarskjold, the United Nations confronts the greatest test in its troubled history. With the Berlin crisis deepening, America faces a challenge to her principles and to her very existence. With the Khrushchev appetite seemingly insatiable, communism threatens to gorge on the souls of free peoples everywhere.

At this turning point in history, the virility and the strength of the United States, the health of her economy, the versatility and might of her Armed Forces, and, above all, the determination of her people, are indispensable to our leadership in the free world and our capacity to insure the preservation of human dignity. The stakes are high; the problems difficult. What we do in the 2d session of the 87th Congress may be our supreme test. We will not fail our responsibilities.

Corps Training a Fine Success

EXTENSION OF REMARKS
OF
HON. HARRISON A. WILLIAMS, JR.
OF NEW JERSEY
IN THE SENATE OF THE UNITED STATES
Wednesday, September 27, 1961

Mr. WILLIAMS of New Jersey. Mr. President, we are indeed a young, optimistic nation. I hope each of our generations will produce a breed of young, idealists whose fresh-eyed hopefulness will play a strong part in adding its bit to the upward and onward toward better things for the world of men. When it is all said and done, those who dare to follow fresh vision and a new approach are frequently successful in changing much for the better.

Such vision and hopefulness are a great part of the Peace Corps. The occasion of the graduation of the first student Peace Corps trainees at Rutgers University, who were addressed by Gordon Boyce, assistant to the Director of the Peace Corps, is described in the following editorial from the Daily Home News, New Brunswick, N.J.; for which I ask unanimous consent to include in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

CORPS TRAINING A FINE SUCCESS

"Never be ashamed of being idealists," the Peace Corps volunteers were told Friday night as they received their graduation certificates at a simple ceremony in Douglass College's Jameson Auditorium.

The speaker was Gordon Boyce, assistant to the director of the Peace Corps, and it was a significant occasion. This group of dedicated volunteers was the first group to complete training, and will engage in the pioneer effort of the Peace Corps, a project in Colombia.

The young men who form the group had completed 9 weeks of intensive training at Rutgers University. The course was an arduous one. They studied the Spanish language and Colombian and Latin American history and culture. They worked hard on physical conditioning. They refreshed their knowledge of American institutions and traditions.

After a few days at home these young men will depart for a 2-year stay in Colombia. There their life will be rigorous. They will be building schools and roads and sanitary facilities, and digging wells. They will be organizing youth groups.

Our observation of these young men during their training period here, through the eyes of our news staff, leads us to believe that the project in which they will be engaged will be a successful one. They have seemed dedicated, hard-working young men. It is clear that they take their work seriously. While they were with us they were models of good conduct.

We are proud that Rutgers, the State university, has been host at this pioneer training project of the Peace Corps. And we are happy that this training course went so smoothly and efficiently. This is another example of the State university in the Nation's service and in the world's service. History has been made on the Rutgers campus in the past 9 weeks.

Beauty Care for Needy

EXTENSION OF REMARKS
OF

HON. BOB WILSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 27, 1961

Mr. WILSON of California. Mr. Speaker, many businesses and organizations throughout the country have very worthwhile projects underway which receive little if no attention from the general public. These projects are truly humanitarian and responsive to the needs of those less fortunate than we.

Such a project has recently come to my attention that merits the attention of you, our colleagues in the Congress, and all Americans.

The National Hairdressers & Cosmetologists Association is actively engaged in helping to brighten the lives of patients in charity wards of hospitals, homes for the aged, mental hospitals, homes for the orphaned and similar institutions. They do this through an unselfish program that provides professional beauty care to these patients.

Dr. Beatrice S. Sloan, psychiatrist and chief of the women's services at the South Florida State Hospital for mental care has very ably set forth the accomplishments of the members of the National Hairdressers & Cosmetologists Association in a speech at their 41st annual convention held in Miami Beach.

With unanimous consent I wish to include herewith in my remarks an article that incorporates Dr. Sloan's remarks, that appeared in a recent issue of the NHCA bulletin.

I hope all Americans will read this article so that they will know of this good and unselfish work on the part of many of our friends and neighbors:

BEAUTY CARE FOR NEEDY

Speaking before more than a thousand delegates attending the National Beauty Salon Week breakfast at the recent 41st Annual Convention of the National Hairdressers and Cosmetologists Association in Miami Beach, Dr. Beatrice S. Sloan, psychiatrist and chief of the women's services at the South Florida State Hospital for mental care, praised the institutional welfare work being conducted by the association's members to help patients in institutions throughout the United States.

The welfare work is professional beauty care, such as permanent waves, shampoos, hair shaping and styling to patients in charity words of hospitals, homes for the aged, mental hospitals, homes for the orphaned and similar institutions throughout the year, culminating annually during National Beauty Salon Week, which will be observed in 1962 during the week of February 11–17.

The text of Dr. Sloan's speech follows:

"A patient doesn't have to tell you that she no longer has a zest for life and that she feels quite hopeless about the future. You can see it in her posture. You can see it in the neglect of her skin and hair and her overall grooming. Actually, what we say is, there has been a loss of morale.

"In the psychiatric hospital, grooming is our barometer. Frequently it is the real indicator as to the progress of a patient. The first time in a female ward that a patient comes up and whispers to the nurse, "Please put my name on the list for a shampoo," or "the list for a permanent," we know the barometer is going up, because there is nothing so gratifying in our work as the metamorphosis that takes place in the female psychiatric patient who has been depressed, has been totally neglectful of herself in every area, and who begins to find some portion of that self-love is still present.

"We have instances in our wards where the dramatic change in one patient who returns from the beauty parlor with a permanent influences the progress of the other patients.

"They share their pleasures and they share their joys, and believe me, they share the other things—the disappointments and so on.

"It would do your hearts good if you could see a 22-year-old girl who came to us just a blob of human protoplasm, regressed to the level of a very young infant, who responded to shock treatment and who asked if she could have her hair done at our beauty parlor. When she came back, instead of a mud-gutter blonde, she was a beautiful blonde child with curly hair and she really had a new outlook and there was a total uplift in her entire personality.

The other patients were very much aware of this change. They commented on how beautiful she was. That was not all. The family that had practically rejected her completely, visited her just a week later, and she was still blossoming and they were very much surprised, pleasantly, of course, and for the first time in the 7 months that she had been with us, her parents asked if they could take her home for a weekend.

I think our lesson got across to them, and I think, too, that perhaps her mother learned something from it, because she decided that she would visit the beauty parlor and have something done for herself.

The patients are urged to enter our charm school. This is a must the first time. You sometimes have to propel them a little bit to go over to the charm school, but it is only the first time. Believe me, no matter how sick they are, how deep the depression, after they have been there once, we have 100-percent attendance. It is the only activity—and I mean this sincerely—the only activity in the entire hospital that gets 100-percent attendance.

What is our charm school? Our hospital is 4 years old and 4 years ago this was started, not as a charm school, but as a self-improvement course. We were aware of the fact that before improvement or progress could be made psychiatrically, we had to see some interest, some awakening of the desire in the patient to improve herself or himself—and so the self-improvement course began.

At that time we have nothing to work with. The State of Florida, like all of the States, does not provide cosmetics, and the many necessities of the patients.

Well, I believe this is where the National Hairdressers and Cosmetologists Association performed one of those miracles for which we are ever grateful.

We contacted NHCA, and you produced quite a few gallons of shampoo concentrate. You provided us with something else that is most necessary—deodorants. You provided us with nail polish, cosmetics, and oh, something very important—combs. We did not have a single comb to use in this self-improvement course, but we did get thousands, so each patient could have one or two.

Our self-improvement course began using just what we had there with volunteers—you people came in from the outside world and helped our patients, and not only helped our patients, but helped the staff to understand better the patients' need along these lines.

"After all, what do you do for an individual who comes into the beauty parlor? I don't mean now the special person who mixes up colors, or who does the research on what is best used on which hair and so on; I mean you people who actually work with your clients, who come into the beauty salons. Do they get a lift from what you do?

"Let me tell you that psychiatrically they really do. First of all, they come in and they relax. They get rid of tension—in fact, in private practice, I had many women tell me that the only way they could get rid of or cure a migraine headache was to go to the beauty parlor, have a scalp massage and sit under a warm dryer, and when they left, they were a new person. If that is not a lift, then what is?

"I do not think that any one of you should ever hesitate to suggest to a woman that she get a new hairdo, because she will get a lift. Do not hesitate to suggest that she change the color of her hair, and that she be daring and expeditious and try something new. It does not matter what her age is, because teenagers are doing it, too.

"Again, I am going to say when you do the wonderful work that you do, you frequently are restoring self-esteem to a woman, or an individual, or, as I like to put it, the proper proportion of self-love. You do this because as a result of what you do she has the knowledge that she is attractive, that she is well-groomed, and that she is part of a dynamic and still conscious world, and I think this gives the woman the greatest lift of all.

"We sincerely thank you for all you do; all your contribution to our hospital, and to the many other State hospitals throughout these United States and Canada.

"This work, this charm school work, these courses in self-improvement and good grooming and so on, are going on all over the country and in every State hospital, and I believe in the veterans hospitals as well.

"This is only possible because you make it so. You people are not only the doers, but you are the givers. I will say this: Without your contributions, we would not have the necessary help to take care of our patients.

"So, for all of the millions of gallons, I guess, of shampoo concentrate, the deodorants—and oh, they are important—for the combs, for the lotions, for the cosmetics of every variety—I do not want to omit anyone—believe me. I am adding my sincere thanks to the thanks of hundreds of others who have received your bounty."

Harrington Park Citizens Unite, Arrange To Aid Carla's Victims

EXTENSION OF REMARKS
OF
HON. HARRISON A. WILLIAMS, JR.
OF NEW JERSEY
IN THE SENATE OF THE UNITED STATES
Wednesday, September 27, 1961

Mr. WILLIAMS of New Jersey. Mr. President, despite man's long record of inhumanity to man there arise occasions upon which the more humane aspects of our feelings toward our brothers gain the upper hand. Such is the situation in Harrington Park, N.J., in respect to the victims of Hurricane Carla in Texas.

Harrington Park citizens have made extensive plans to collect money and material which will be sent to a certain community in Texas. The particulars of their plan are described in this news story by John H. Kuhn, the Record, Hackensack, N.J., for which I ask unanimous consent to include in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

HARRINGTON PARK CITIZENS UNITE, ARRANGE TO AID CARLA'S VICTIMS—BOROUGH TO SEND FREIGHT CAR FULL OF MATERIALS TO A TEXAS COMMUNITY

(By John H. Kuhn)

HARRINGTON PARK.—Victims of hurricane Carla will receive direct aid from residents of this borough by the end of the month.

TO CHOOSE ONE TOWN

A program for the entire borough to assist a Texas town was formulated by a committee of 25 residents last night.

The group has already made arrangements for the use of a freight car from the New York Central Railroad. It is hoped the car can be loaded with 15,000 pounds of materials by September 24.

Mrs. DeForest Lewis was named chairman of the group. Committees were named to arrange the various aspects of the campaign, which will not be connected with any charitable organization. The project will be known as "Aid a Texas Town."

Residents hope to select a specific community in Texas to receive the aid. It is hoped a town similar to this borough can be located. Efforts to reach the area by telephone yesterday were unsuccessful because phone lines are down in much of the area.

The railroad will provide the freight car, which will be placed on the John J. Demarest siding. Fifty-pound cartons, in which materials will be packed, have been donated for the campaign.

The committee said the materials it desires to collect are clothing (not too heavy because of the warmer climate), shoes, rubbers, and household linens. The clothing should be marked for size. Shoes should be tied together and marked for size, as should the rubbers. It is asked that a $1 contribution be included with each donation to help defray the cost of shipping the car to Texas. Shipping costs were set at $700.

Collection depots will be established in 21 locations throughout the borough. The material will be packed in the cartons at the depots.

Contributions will be received Monday, Tuesday, and Wednesday of next week. Next Thursday and Friday the committee plans to pack the material in the cartons. On September 23 and 24 members of the fire department will load the freight car.

According to the schedule, the car will leave here September 25 and arrive in the Houston area September 30.

Containers for cash contributions will be placed in local stores.

Literature to inform residents of the campaign will be distributed through schools and churches tomorrow and Sunday.

Committees named to work on the project are: Fred H. Quantmeyer Sr., finance; Mario Bettega and the fire department, loading; Andrew Krivak, transportation; Mrs. Kenneth Baer, motor corps; Mrs. George McNeil and Mrs. Robert Nelson, collection depots; Mrs. John Stockman and Edward McLester, publicity and literature; and Mrs. Bruner Potter, posters.

The American's Creed

EXTENSION OF REMARKS
OF
HON. BOB WILSON
OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES
Wednesday, September 27, 1961

Mr. WILSON of California. Mr. Speaker, on April 13, 1961, I introduced House Joint Resolution 372, to give official status to the American's creed. Since that date, many Americans from all parts of the United States have written me relative to this legislation. Each has affirmed his belief in the American's creed as written by William Tyler Page.

Among these letters is one from Mr. Hoxsie Y. Smith, president, board of trustees of the Brawley School District of Brawley, Calif.

It is significant that all pupils in the Brawley elementary schools are required to learn not only the American's creed, but the preamble to the Constitution of the United States and the statement of basic human rights from the Declaration of Independence. I submit that by learning about these matters these schoolchildren are indeed learning about America and will be better Americans as a result of the efforts of those citizens like Hoxsie Y. Smith in the Brawley School District.

Under unanimous consent I wish to include herewith in my remarks the letter from Mr. Smith, dated September 18, 1961, and the document distributed by the Brawley School District to students:

BRAWLEY, CALIF., *September 18, 1961.*
Hon. BOB WILSON,
Member of Congress,
House Post Office,
Washington, D.C.

DEAR CONGRESSMAN WILSON: I was very pleased to read of your joint resolution and your remarks concerning the American's creed in a copy of the CONGRESSIONAL RECORD of April 13, 1961. I wholeheartedly agree with you that the American's creed should be shared by young and old alike and the principles set forth in it should be reaffirmed by every American. Patriotism is not out of date and it is time that we "stand up and be counted" as Americans.

I thought that you might be interested to know that the American's creed has been required learning for all of the sixth grade pupils in the Brawley elementary schools. The students must memorize and understand its meaning before being promoted from the sixth grade. I would like to see this put into effect in every school district throughout the United States.

The people of your district are very fortunate to be represented by such an able and dedicated American.

Very sincerely,

HOXSIE Y. SMITH.

THE AMERICAN'S CREED
(By William Tyler Page)

I believe in the United States of America, as a government of the people, by the people, for the people; whose just powers are derived from the consent of the governed; a democracy in a republic, a sovereign nation of many sovereign States; a perfect union, one and inseparable; established upon those principles of freedom, equality, justice, and humanity for which American patriots sacrificed their lives and fortunes.

I therefore believe it is my duty to my country to love it, to support its Constitution, to obey its laws, to respect its flag, and to defend it against all enemies.

PREAMBLE OF THE CONSTITUTION OF THE UNITED STATES

We, the people of the United States, in order to form a more perfect union, establish justice, insure domestic tranquillity, provide for the common defense, promote the general welfare, and secure the blessings of liberty to ourselves and our posterity, do ordain and establish this Constitution for the United States of America.

STATEMENT OF BASIC HUMAN RIGHTS FROM THE DECLARATION OF INDEPENDENCE

We hold these truths to be self-evident: That all men are created equal, that they are endowed by their Creator with certain inalienable rights, that among these are life, liberty, and the pursuit of happiness. That to secure these rights, governments are instituted among men, deriving their just powers from the consent of the governed.

("Breathes there a man with soul so dead, who never to himself hath said, this my own, my native land."—Scott.)

New Aid for Youth

EXTENSION OF REMARKS
OF
HON. HARRISON A. WILLIAMS, JR.
OF NEW JERSEY
IN THE SENATE OF THE UNITED STATES
Wednesday, September 27, 1961

Mr. WILLIAMS of New Jersey. Mr. President, it is with great satisfaction that I note the Congress' decision to attack the Nation's junvenile delinquency problem.

In the more densely populated areas juvenile delinquency exists in its most virulent form. The State of New Jersey, itself heavily populated and a stone's throw from the largest city in the world, is needful of funds to assist in combating this problem—as is mentioned in this Newark News editorial of recent date for which I ask unanimous consent to include in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

NEW AID FOR YOUTH

Congress finally has responded to President Kennedy's call for a "total attack" upon juvenile delinquency. As a result, major

municipalities will receive Federal aid in dealing with a problem that has placed an increasingly heavy burden on individual community resources.

Although New Jersey has escaped the gang wars that plague New York, there is nonetheless a need not only to increase police vigilance, but also to strengthen such preventive measures as vocational training, counseling and the procurement of jobs.

Under the 3-year $30 million program authorized by Congress, Federal aid is to be concentrated in those cities which can prove the greatest need. In that respect, Mayor Carlin will ask his committee on youth for recommendations. If Newark qualifies, the city and its various welfare agencies doubtless will welcome the opportunity to participate in such a farsighted project.

The Outlook for Jobless Negroes

EXTENSION OF REMARKS
OF

HON. CHARLES C. DIGGS, JR.

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 27, 1961

Mr. DIGGS. Mr. Speaker, Secretary of Labor Arthur Goldberg's recent address on "The Outlook for Jobless Negroes" is one which I hope will be widely read by the American public and by Negro citizens whose peculiar dilemma it discusses. While Secretary Goldberg does not minimize the burden of racial discrimination which saddles a segment of the citizens of our Nation with a disproportionate share of unemployment, he offers information which should be made as available as it is possible to make it on what the Federal Government has done to help in this problem and he renders sound advice which cannot be tooft repeated:

THE OUTLOOK FOR JOBLESS NEGROES

(By Secretary of Labor Arthur Goldberg)

(Because he bears the major burden of job discrimination and lack of education, the Negro also suffers most unemployment, but his future can be brighter than it is.)

There were 5 million unemployed Americans this spring.

Nearly a million of these unemployed were Negroes.

Almost 1 out of every 8 Negroes was unemployed, compared to the white group's rate of almost 1 out of 16.

As you can see, Negroes were hit twice as hard as the white group when it came to having work.

Unfortunately, these proportions are nothing new. A period of unemployment such as our Nation underwent the past few months simply dramatizes what has been prevalent and obvious to the statistician and sharply realized by the nonwhite worker in the United States who has suffered its inequity all these years.

Among the jobless Negroes, almost one-half, 460,000, were without work 15 weeks or longer.

Almost twice as many Negroes as in the white group were forced to work part time this spring.

Without belaboring the facts further, it is obvious that the Negro has been saddled with a disproportionate share of the country's unemployment problem.

He has made up a good proportion of the so-called hard-core unemployed in the United States.

And his job outlook will not improve in the stiffening competition for work foreseen in the years ahead unless he helps himself while we attempt to help him.

I say this knowing full well the job discrimination that the American Negro has faced since the Civil War. I say this knowing full well the barriers he still must overcome, socially, economically, and politically.

I also say this knowing that it is more difficult for Negroes to get jobs commensurate with their training.

But, I say this because of a few immutable facts about the long-term unemployed Negro worker which goes beyond past discrimination.

When unemployment begins to rise in this country, it first hits all workers, white or black, earning livelihoods in the unskilled occupations. These are the jobs which need little or no education and training. These are also the jobs that have been disappearing from American industry since the turn of the century when one out of every eight manual workers was unskilled. Last year this group represented 1 out of every 20.

The need for more education and skill in jobs available is increasing rapidly. Even semiskilled and skilled workers have felt the pinch in recent years.

The Negro, mainly through no fault of his own, has been, generally, the worker with the least education, the least training. Thus, he is usually holding down more of the poor, unstable jobs than other citizens. When a recession or depression occurs, the Negro becomes the classic unemployment statistic, the greater problem, once again.

But we are truly living in a time of transition. Opportunities for all men to gain an education, learn a trade, earn a better living, are opening doors closed tightly within our recent memory.

How can the American Negro help himself in these times? He can help himself by looking to the future and what it promises, rather than to the past and what it has been. This applies not only to the breadwinner today but also to the advice he gives his children and the steps he takes to keep his children in school.

It is true that the security which the American Negro seeks cannot be achieved without opportunity. But opportunity cannot be grasped without ability. And ability does not express itself without education and training.

Therefore, the Negro must prepare himself now, whether he is in high school or college or earning a living, to meet the increasing competition for the better jobs, the jobs which require training and education and intelligence, the jobs which will generally provide a living even when times are bad.

Now is the time for everyone, white or black, to get all the education he can get, or refine his salable skills to meet the increasing demand for skilled workers.

Jobs and careers that may have been beyond the attainment of the Negro 20 years ago are becoming available today. Much of this has been accomplished by national leadership in the destruction of discriminatory barriers. Just as much has been done by the American Negro in standing up for his rights.

The Federal Government is doing something about opening doors to these jobs and careers. President Kennedy has created a new arm in the executive branch called the President's Committee on Equal Employment Opportunity to make sure that the color of a man's skin or his religion or nationality is not a bar to employment. The Vice President is chairman of this committee and I am vice chairman, with Assistant Secretary of Labor Jerry R. Holleman directly responsible to me for its operation. We are applying the equal opportunity premise immediately within those industries which have Government contracts.

One of the most frequent reasons we are given for the nonemployment or lack of promotion of Negro workers is that they do not have the necessary educational background, or that they do not have the training.

Many times these reasons are merely excuses. More often it is the truth.

This is not the time to look back for the reasons underlying the truth. We are aware of all of them.

We must look ahead to see what can be done to make the present reasons for the discriminatory practices merely excuses. For we can battle excuses with truth if truth is on our side.

Here is where the Negro must help himself. He must be willing to overcome his physical environment, his social status, his economic depression, by learning. The Federal Government intends to help.

The administration has already taken measures to deal with some of the factors inducing unemployment, which, in alleviating for all Americans, will, of course, aid the Negro's problem as well.

Since considerable numbers of workers have already been displaced by automation and technological change, a manpower development and training bill has been introduced in the Congress as a remedial measure. The proposal provides for on the job, classroom, and other types of vocational training with Federal retraining allowances up to a maximum of 52 weeks.

Another bill has been introduced which would provide training programs for youths between 16 and 22 years of age. This group historically, in good times or bad, has an unemployment rate three times as high as the rest of the work force. Negro youth have an even higher rate, something like six times as high.

This legislation, if enacted, would provide for on-the-job training for this age group with the Federal Government sharing the expense; would provide job opportunities to gain experience in public service work operated by State and local governments; and a Youth Conservation Corps for young men to work in camps at the national forests and parks, and State forests and recreation areas.

As you know, President Kennedy has already signed into law the Area Redevelopment Act, intended to provide various kinds of assistance to areas of persistent unemployment. The act provides loans to encourage new industry and expansion, occupational training of unemployed or underemployed workers.

To meet the challenge of automation, I have established a new Office of Automation and Manpower to help find the answers to this growing problem to our industry, which is adding to our unemployment problems.

These next 10 years will make all the difference in the world to working Americans. The key will be education and training for the future.

The Negro must be in the positions to make the grade. While it must be mainly his own effort, he can be sure that his Government, this administration, is going to help. The measures I have mentioned briefly are intended for those Americans suffering the most in these changing times.

The hard core, the continual unemployment among the nonwhite citizens of this Nation must be, will be, softened by the cooperative efforts of all of us.

President Kennedy's words at his inaugural should be remembered: "Ask not what your country can do for you—ask what you can do for your country."

The American Negro, by striving for more education and job training, will be doing for his country by doing for himself.

I do not believe anyone could ask for more—or for less.

A Half Billion Dead Fish

EXTENSION OF REMARKS

OF

HON. HARRISON A. WILLIAMS, JR.

OF NEW JERSEY

IN THE SENATE OF THE UNITED STATES

Wednesday, September 27, 1961

Mr. WILLIAMS of New Jersey. Mr. President, the world is well supplied with experts who reiterate problems, the expanding population, the urbanization of our Nation, and the need for prevention rather than cure of disease. And yet with this knowledge at our disposal we suffer abuses of ever-increasing self-destructiveness to continue. The pollution of water is a serious problem and needs correction, all agree. This editorial from the Asbury Park Evening Press, September 16, discusses the extent to which fish are being wantonly destroyed for lack of control of waste products.

I ask unanimous consent to include this editorial in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

A HALF BILLION DEAD FISH

The Wildlife Management Institute is authority for the statement that 6,300,000 fish were killed last year by polluation in the Nation's lakes and streams. The greatest killer was industrial waste with agricultural poisons running second. In diminishing order of importance was domestic sewage, mining operations, and wastes from airfields.

We submit that the needless killing of more than a half billion fish annually is something to think about. How many million more fish are contaminated and yet live to become part of the Nation's food supply will never be known. The number is probably large and the threat to the public health considerable.

Health is a universally popular subject of discussion. Hardly does a group of friends assemble for a social evening before at least one of them brings the state of his health into the conversation. Any drive to fight a specific disease enlists hundreds of workers even though the disease has been conquered and the crusade is being kept alive by those whose livelihood is at stake. Yet pollution of the air we breathe and the water we drink and in which we swim attracts little attention.

The peril to health contained in contaminated water supplies is well known. Research has demonstrated that polluted air is no less a danger to human well-being. Authorities agree that air pollutants are a causative factor in lung cancer and cardiovascular diseases. Yet those who work so hard to conquer these diseases do not put forth the same effort to prevent them. How long could air and water pollution persist if all the dedicated men and women who work for all the health drives were to center their attention on the problem?

Pollution is one of the unfortunate by-products of our industrial age. This need not be so. Industry can continue to exist and make a profit without endangering the lives of the people who live in its vicinity. The talk of industry leaving the State if it is obliged to stop killing our citizens is nonsense. It is the last minute plea of a few reactionary industrialists unwilling to spend the mnoey needed to modernize their plants. They are the Bourbons who refused to accept responsibility for injured employees and, thereby, brought about the enactment of stern compensation laws. Their present failure to cooperate for the public good will lead to the enactment of equally stern laws against plants which pollute the air and water.

There Is No White Race

EXTENSION OF REMARKS

OF

HON. CHARLES C. DIGGS, JR.

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 27, 1961

Mr. DIGGS. Mr. Speaker, the following very interesting article appeared in the Negro Digest, of September 1961, reprinted from the Sign:

THERE IS NO WHITE RACE

(By Dr. George F. Carter)

(No matter how much they avoid saying it, the thinking of many Americans is infected with the egoistic error that the white race is superior. Science shows there is a biological basis for classifying racial groups as Negro, Mongol, and European. But science knows of no special white race. Dr. George F. Carter, an anthropologist of national standing, takes up this challenging question in the following interview.)

Question. Dr. Carter, many people speak of the races of mankind. Do they deny the basic unity of the human race?

Answer. Some people, through ignorance or bigotry, deny this basic unity. But the expression "races of mankind" is also used by scientists who have no intention of denying the biological unity of the human race. They make general classifications of groups and speak of them as distinct races, for example, the Negro, the European, and the Mongolian. Biologically, these races are all variations of the same human species, the human race.

Question. Are you saying that, as a scientist, you are convinced that all these different groups of people had a common human ancestry?

Answer. Yes.

Question. Have scientists been able, geographically, to pinpoint the origin of that common ancestry?

Answer. Scientists are quite generally agreed that all men have had a common place of origin. It had to be in the Old World. It is clear that this had to take place somewhere in the warm belt from southeast Asia across to Africa. For some decades now, the earliest stone tools and earliest manlike skeletons have been found there. Recently, parts of a skeleton have been found in Kenya, in east Africa. And right with the skeleton parts, stone tools were found.

Question. How long ago do scientists figure that men lived there?

Answer. About 700,000 years ago.

Question. How are scientists sure that the skeleton remains belonged to a man?

Answer. Because, whatever you call him, he made and used tools. This particular creature, tiny in size but with a brain capacity equal to that of the huge gorilla, was importing stone from miles away and breaking it up to get sharp pieces to work with. This is toolmaking, and only man does such things.

Question. Do you find any conflict between the theory of evolution and the creation of man by God?

Answer. Not in the least. Scripture tells us that God formed man out of the earth. The theory of evolution seeks to explain how that formation took place over a period of time. The important thing about a man, the main thing that sets him off from the animals, is his possession of a spiritual soul. Since the physical sciences are concerned with material things, you can hardly expect them to explain the creation of the soul—and the nature of the soul. The soul is an immaterial substance.

Question. But even scientists must be concerned with the spiritual nature of man?

Answer. I readily admit that. But for knowledge of a man's spiritual nature, a scientist must get beyond the limitations of physical science and rely on philosophy, theology, and divine revelation. Sound theology and science should not contradict but supplement each other.

Question. As a scientist, how do you tell the difference between man and an animal?

Answer. That's easy. Scientists study the way creatures act. When we find a man making and using tools, we have found the products of a mind that was at work. It is because of his power of mind that man is mentally very different from his nearest relatives in the animal kingdom. Moreover, when a scientist finds a man worshiping, he rightly suspects the presence of a soul. So, when skeletal remains are on the borderline between an animal and a man, the scientist will seek further evidence of how the creature acted when alive in order to tell which he was, man or animal.

Question. Granting man originated long ago, and possibly in east Africa, how did men today come to be so different? What about these "races of men?"

Answer. Races are biologically different groups of men. There is a Negro race, a European race, and a Mongol race. These are clear-cut cases of kinds of men with differing skin colors, body proportions, hair forms, and so forth.

On the other hand, there is no Jewish race. Negroes, Europeans, or Mongols may be Jews—that is, belong to the Jewish religion. There is no Irish race. That is a national group. There is no Germanic race. That is either a national group or a speech group; but in either case, it includes a number of biologically different groups.

Question. You do not mention a white race? Why?

Answer. White skins mark only a minor group of the European or Mediterranean race. This kind of man is distributed all around the Mediterranean Sea. In color, it varies from the fair skin of the northwest Europeans, through the olive-brown skins of the Mediterraneans, to the dark brown skins of the Ethiopians. Yet all people have characteristics that show that, under this variable coloring, they belong to one race. So there just isn't a white race.

Question. How did the different races come about?

Answer. First, let's notice that there was plenty of time, if current scientific thinking is correct. Second, let's recognize that no two individuals are exactly alike. This is variation. It goes on all the time, among all peoples. Given hundreds of thousands of years, there was plenty of time for a significant amount of change. Finally, every land is different and puts different kinds of strain on human beings. This tends to favor some variations over others. This process we call selection. Selection acting an immense amount of time on the constant variation found among any group of human beings can create, biologically, permanent, notable differences. These are racial differences.

Question. That sounds reasonable. But why should Negroes be dark-skinned, frizzly-haired, flatnosed, and thicklipped?

Answer. Negroes are tropical people, historically. They are found close to the Equator in Africa and in southeast Asia, including the island world north of Australia. They apparently have been there for a very long time. They have, in a sense, developed a permanent tan. Tropical sun is a terrific burden for fair-skinned people.

The short, curly hair of Negroes is fun to think of in the reverse. I notice around the office that in summer our long-haired girls pause in their typing to lift the hair off the back of their necks. The Negro girl, with a naturally cool hairdo, never has to do this. Her race lived in hot lands a long time. Her type of skin and hair, best suited to such lands, is unlikely to be an accident.

There are even more such traits. Negroes are short trunked and long limbed. This type of body construction gives the maximum of surface in proportion to body bulk. This is advantageous for losing heat—and in warm climates this is a great help. As for the flat noses and thick lips, we lack adequate explanation.

Question. It is easy enough to see that for the Negro, but let's see you apply the influence of environment to the Mongols.

Answer. No difficulty. Let's start with body form. The Negro's relatively lean body form is at one extreme and the Mongols are at the other. Mongols tend to have short, thick bodies and relatively short limbs. The classic Mongol homeland is Inner Asia, a land of great winter cold. The body build of Mongols is good for heat conservation.

Europeans live in a variety of climates—from the hot areas of North Africa, to the mild areas of the Mediterranean, to the cold areas of northern Europe. As you might expect, Europeans are variable in body form.

Hair form is also interesting. Negroes have the shortest hair, and the more northerly races have the longer hair. The Mongols are beardless, as are the Negroes, while the Europeans are bearded.

Question. How come the Mongols don't have beards? In a very cold climate, it seems such a homegrown muff would be very useful.

Answer. In a really cold climate, your breath freezes in your beard, and you are soon wearing an ice mask. Even north Europeans live in areas that are only moderately cold. Mongols live in lands of extreme cold. Most of Europe is between 30° and 50° in January, while the inner Asian homeland of the Mongols is between minus 20° and plus 10° in January. This makes the difference between having your breath freeze in your whiskers and having your whiskers protect your face.

That a beard and long hair are snug features in breezy, damp, cold weather is a fact well known to those that ride motorcycles. However, since beards and long hair are out of style, except in some rather odd social circles, we don helmets, neckerchiefs, and other equipment to achieve the same protection.

Question. That sounds good for beards. How do you explain a white skin?

Answer. Interestingly enough, the white skin really is something to be explained. All of mankind is brown skinned and dark haired and brown eyed, except for one odd group. Only the northwest Europeans are light skinned, light eyed, and odd in hair color. When you consider what a handicap it is to be fair skinned, you can guess that there would have to be some very good reason for being light skinned. Light-skinned people are found in one of the dampest, cloudiest, and most sunless regions of the world. Besides northwest Europe, there are other such regions: the northwest coast of America, the southwest coast of South America, the South Island of New Zealand, and the island of Tasmania. Of all these areas, only the European was reached by man at a very early time. Access to the others was blocked by seas or by arctic cold. Is it an accident that we have light-skinned people in the cloudiest part of the earth that man could reach in the earliest time? It hardly seems likely.

But what selective factor was at work? It would have to be a strong one to overcome the unhappy effects of sunburn.

We have found the clue to this in the slums of London. There, light- and dark-skinned races live side by side in similar economic circumstances. The dark-skinned children have a much greater amount of rickets than do the light-skinned children. Rickets is related to poor diet, with a lack of needed vitamins, the kind of vitamin that can be created by irradiating the fats of the skin with sunlight. Dark skins block off the deep penetration of the sun's rays. Light skins let it in to do its beneficial work.

For a very long time, food supplies were often short, especially in winter. Malnutrition would then be common. Vitamin deficiencies would exist. Those individuals that could get a boost even in the dim winter sun of northwest Europe, most of which is in the latitude of Newfoundland, had a valuable asset. The lighter skinned had a better chance to survive in the sunless winters of the northwest. The effect of this kind of selection, over a great period of time, has been the emergence of fair-skinned, northwest European types out of an originally olive- or brown-skinned type of man.

Question. Does this variation go more than skindeep? Are there psychological differences?

Answer. Yes. Negroes apparently have been exposed to malaria longer than the rest of mankind. We find they have a blood specialty called sickle cell anemia that is linked with resistance to malaria. Then, too, we are belatedly learning that there are some differences in basal metabolism between most of mankind and some of the people who lived virtually unclothed and unhoused in cold climates. The natives of southern Australia and those of Tierra del Fuego at the extreme southern tip of South America had apparently changed slightly to be able to withstand those conditions. We know of racial differences in blood types and in reaction to specific drugs.

Question. Does this mean that the races are mentally different?

Answer. We suspect that they are, but it is interesting that we cannot prove it.

This suggests that the differences are rather small.

Question. If you think that there may be some differences, why don't you use intelligence tests to determine the mental rank of each of the races?

Answer. We would, if we knew how. As those who use tests are first to state, however, it is very hard to know when you are testing native ability and when you are testing social and economic background, as well as motivation. We know these to be powerful influences.

Question. There certainly have been European, Mongol, and American Indian civilizations. How do you account for the lack of a distinct Negro civilization?

Answer. This is perhaps the most difficult problem to answer. It is, however, accessible to reasoning. First, there has been only one origin of civilization. This came in the Near East. All the rest of the world that came to the level of civilization can be shown to have gotten their basic start from that one center. This is true even for the American Indians, who seemed to have gotten their ideas via India and China, who in turn had gotten them from the Near East.

All the people who were out of the line of this flow of ideas remained backward. There were also laggards in all races. Even northwest Europeans were laggards for a very long time.

The Negro parts of the world were all far from the center of ideas. Negro Africa is blocked off by great deserts. The Negro world of the Pacific is remote from the Near East. Once developments moved at a quickened pace, men with advanced ideas simply went around areas held by peoples with greatly retarded cultures. The Spanish took one look at the wonders of California and went back to Mexico. There were settled, tractable, and taxable Indians there. The California Indians were too retarded culturally to yield any harvest to anyone except a missionary.

A most interesting case of such lagging is found among the Ainu of Japan. They are a white race. The Japanese found them in possession of the islands. They treated them just as we did the Indians, and today the remnants of the Ainu live on reservations.

Question. But aren't great opportunities now opening up to the Negro?

Answer. Yes. The real test of the Negro people is now before them. The spread of ideas around the world is moving at an ever-quickening pace. We cannot expect to see instant results. The Negroes' opportunity in this country began 100 years ago, when they were freed. We are just beginning to see what the relatively few number of Negroes who have had the good fortune and ability to get an education can do. Perhaps the number of Negro doctors and professors and businessmen is quite a good response to the limited opportunity they have had.

Question. What about the future? Will we go on becoming more and more different?

Answer. No. The process of the past is now reversing. In the past, men lived in tiny groups, each traveling exceedingly little. This is a condition ideal for allowing the local variations to become fixed and for great differences to arise. Today, we have great masses of mankind with ever-increasing mobility. All of mankind seems to be on the move. In the recent past, we have been more and more rapidly moving toward convergence, through the mixing of races.

Question. Are we still "varying" and being "selected"?

Answer. Certainly. Look at your own children. No two are alike, and none is exactly like his parents. Selection is still going on, but it is a different set of things that are now being selected for. I suppose that we in America are being selected for resistance to heart failure, ulcers, and ability to live in large communities. Where selection in the past was mostly for resistance to physical forces, we now have adequate housing and clothing for countering heat and cold and can take vitamin pills if we need them—which we seldom do. But social forces have grown more complex. We are probably already pointed toward a more sociable type of man.

Englewood Students Voice Opinions on U.N. on Tape

EXTENSION OF REMARKS

OF

HON. HARRISON A. WILLIAMS, JR.

OF NEW JERSEY

IN THE SENATE OF THE UNITED STATES

Wednesday, September 27, 1961

Mr. WILLIAMS of New Jersey. Mr. President, it is the responsibility of each succeeding generation to try to understand and solve the problems of their time. Those who meet this task are always only a few. I am encouraged to find youngsters who promise to rise to meet the demands of their world.

The following article from the Newark Evening News of September 23, by Josephine Bonomo, describes the project of a group of junior high students who are most certainly preparing to accept their responsibilities.

I ask unanimous consent to include this article in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

ENGLEWOOD STUDENTS VOICE OPINIONS ON U.N. ON TAPE

(By Josephine Bonomo)

ENGLEWOOD.—The scene was a classroom and the voices were those of teenagers, but the problems being discussed were those that the whole world is concerned with now.

As a tape recorder captured their thoughts, 11 boys and girls at Englewood Junior High School discussed the future of the United Nations. Sometime next week, the tapes will speed across the continents to take those thoughts to teenagers in South Africa and New Zealand and to ask for an exchange of views.

"We want to know how those people feel about the subjects we talk about," Barbara Shomer, chairman of the group, explained at a rehearsal session last week.

Although Babs and the other boys and girls in the group are sophomores at Dwight Morrow High School this year, they started the project last spring when they were ninth graders at the junior high. The group met after school as part of a voluntary special projects program guided by Theodore S. Davis, school principal, and a faculty adviser. They concentrated on discussing world events.

SENT OUT LETTERS

When they decided they wanted to bring other teenagers round the world in on their discussions, Davis help them to send out letters to departments of education in 30 different countries in Europe, Asia, Africa, and South America, proposing an exchange of views.

The response was good and the tapes prepared this week will go to the Union of South Africa and New Zealand as the first two countries responding. They will be played in schools in those countries and it is hoped that the students there will send back their own impressions and opinions.

To prepare the recordings, the 11 students returned to the junior high after school for the last 2 weeks. They decided the topics they wanted to discuss were the United Nations, integration and the Berlin crisis, but only the first two matters were included on the first tapes. Eighth and ninth graders at the junior high were invited to sit in on the sessions so that they could carry the project on in the future.

Babs asked for volunteers to prepare a 3-minute introduction on the United Nations. After that, the discussion was spontaneous.

"Watch your slang," Babs cautioned. "They won't understand it."

Andrew Halvorsen and Mark Macomber tried out their introduction.

"This is an important time for the United Nations," Andy said. "With the world in crisis, it is important for the U.N. to come to decisions and to find solutions for our problems. The U.N. should be strengthened so that it can work effectively."

BIG U.N. ISSUE

Mark continued, "The big issue before the U.N. now is the successor to Dag Hammarskjold as Secretary General. Will it be able to stay together without him? Will it have the same power? The Russians insist on a 3-man board of Secretaries, while the Western Powers insist on a single Secretary. Will this end in a stalemate?"

From the students grouped in a circle, the answers came fast.

Mike Grabow said, "The Russians will use all their power to keep a man like Hammarskjold out of that post. They'll use every trick in the book. And we'll try to keep their choice out."

Lee Taplinger was more optimistic. "The Russians forced the Secretary before Hammarskjold to resign and no one knew Hammarskjold at all until he walked in. We may not know of another man who is just as capable and he may just walk in."

Judy Johnston interposed, "I think we should give our opinion of how well the U.N. has done its work—examples of times when it has been effective and times when it has not."

The other students nodded agreement.

"Should we ask questions at the end of our discussion?" one asked. "Maybe we should ask questions about their country."

It was decided to devote 25 minutes of each tape to the U.N. and 25 minutes to the problem of integration. The response to the initial tapes will determine what will be done in the future. It has already been suggested that the Englewood tapes might also be sent to other schools in this country.

The tapes were recorded Thursday evening. Other members of the group were Lynn Etish, Robert Zorn, Kathie Ernst, Nancy Rosenberg, and Joan Holliday.

Let's Fly the Flag

EXTENSION OF REMARKS

OF

HON. FRANCES P. BOLTON

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 27, 1961

Mrs. BOLTON. Mr. Speaker, under permission granted to extend my remarks, I wish to include in the RECORD the following editorial by Roelif Loveland, which appeared in a recent issue of the Cleveland Plain Dealer:

LET'S FLY THE FLAG, PLAIN DEALER URGES

(By Roelif Loveland)

There's a steady thud of nuclear explosions in Soviet Russia, and our own West trembles underground.

What can the average American citizen do about the frightening world situation? The big decisions won't be his.

There is one thing he can do. He can rally 'round the flag, and he can display the Stars and Stripes on appropriate occasions to show that he is but one of millions who are united, calm, aware of what the future may bring—and brave enough to accept it.

The Plain Dealer believes that great good could come from displaying our national colors on Veterans Day, November 11, and on other national holidays, from one end of Cuyahoga County to the other. Far better to look at this symbol of hope than to let the present tense situation lead us to despair.

Scoffers and cynics will say: "Displaying the flag doesn't make a man a patriot." Scoffers and cynics be damned.

Of course such a display doesn't make a man a patriot, but a great turnout of flags will say to the young man who is sweating it out in the White House: "Mr. President, some of us voted for you and a lot of us didn't. But wherever the treacherous road may lead you, you won't be going it alone. We're behind you all the way."

FLAG IS A SYMBOL OF OUR UNITY

Our flag is a symbol. But it is a symbol which binds us together, rich and poor, black and white, yellow and red, Catholic, Protestant, Jew, as nothing else can do.

For its component parts are more than stars and stripes; they are the graves of those who have died that we might live; they are the hopes of our children and our children's children for a brighter day; they are all the things we hope to improve in our Nation so that all men may have the same advantages; they are courage in times of trouble and faith in the loving and understanding hand of God.

We have observed over the years that some homes, many of them modest ones, some more pretentious, do fly the American flag. But more should—in fact all should, especially at such special times as Veterans Day. (Even at this early date, a commitment of mind and a check on the availability of a flag and a means of display are in order.)

The Plain Dealer therefore urges, in all sincerity and in all seriousness, that the American flag be flown from every home in Cuyahoga County on November 11 as a token that we stand together in an increasingly frightening world, and as a pledge to those who lie in foreign lands and in the cemeteries of the North and South, that courage still remains an American attribute, and that Nikita, should he blow the whistle, will discover that he has made his biggest mistake.

Hon. Sumner Welles

EXTENSION OF REMARKS

OF

HON. HARRISON A. WILLIAMS, JR.

OF NEW JERSEY

IN THE SENATE OF THE UNITED STATES

Wednesday, September 27, 1961

Mr. WILLIAMS of New Jersey. Mr. President, many persons in many nations were saddened today to read of the passing of Sumner Welles yesterday in Bernardsville, N.J. He will be remembered as one of the workers for peace, a diplomat who helped shape many of the great proposals made by our Nation at critical times during the thirties and forties.

Today, as we work toward a full-scale alliance for progress with Latin American nations, we have become more aware than ever of the contribution made by Mr. Welles in this area. He foresaw many of the difficulties that now must be overcome. He warned us against the dangers of the Castro regime long before there was widespread recognition of those dangers. He not only originated the term "good neighbor policy"—he tried to carry it out to the utmost.

The New York Times today has summed up Mr. Welles' accomplishments with a news story and an editorial. A review of those accomplishments is well worth making.

I ask unanimous consent to have the editorial and news story appearing in the New York Times of September 25, 1961, inserted in the RECORD.

There being no objection, the editorial and news story were ordered to be printed in the RECORD, as follows:

SUMNER WELLES

Sumner Welles was a fine example of a vanishing breed of diplomat. Tall, elegant, reserved, precise, sophisticated, and superbly professional—these are characterizations that immediately come to mind in thinking of Mr. Welles.

He reached as high as a career diplomat can in our foreign service—Under Secretary of State—and he served in many capitals of the world. However, Sumner Welles will always be most strongly connected in the history books with Latin America. It would be

hard to think of any American career officer of the last half century who was as familiar with and so respected in Latin America as Mr. Welles.

At the height of his career—the decade from 1933 to 1943—it is no exaggeration to say that Sumner Welles made American policy toward Latin America more than any other diplomat or official. And this was the great period of the flourishing of the good neighbor policy under Franklin D. Roosevelt, who was a lifetime friend and admirer of Sumner Welles. It was an unhappy day for the United States and for Latin America when a quarrel with Secretary of State Cordell Hull over Latin America led Mr. Welles to resign from the Foreign Service.

The years that followed were fruitful in a literary sense, although Mr. Welles is most likely to be remembered for his vivid history of Santo Domingo (now the Dominican Republic) published in 1928.

Sumner Welles was in the best sense a diplomat of the old school, when diplomacy was personal and professional. Few Americans were better known or more highly regarded in the chanceries of the world than he. There is no fear that he will be forgotten, for he made his mark on the history of the 20th century.

SUMNER WELLES, 69, DIPLOMAT, IS DEAD

BERNARDSVILLE, N.J., September 24.—Sumner Welles, Under Secretary of State in the administration of President Franklin D. Roosevelt, died early today at the family home of his wife after a brief illness. He was 69 years old.

Mr. Welles, who was in the diplomatic service for a quarter century before leaving the Government in 1943, was credited with having originated the phrase "good neighbor policy" to characterize the aims of the Roosevelt administration toward the Latin American Republics.

He was among the first U.S. diplomats to carry forward his country's policy to halt dollar diplomacy and armed intervention in Latin America. In his long and mainly successful dealings with these countries he sought to avoid any traces of the patronizing attitude so annoying to Latin Americans.

During his career as a diplomat, Mr. Welles' precise and lucid mental process, together with his wide knowledge of modern political history and political economy, won him wide respect.

His many important diplomatic missions included a swing around the principal capitals of Europe just before World War II in an attempt to establish facts upon which his country might act for peace.

As chairman of a State Department committee formed during World War II to outline postwar international cooperation plans, Mr. Welles drafted proposals later used in modified form as the basis of the United Nations.

Mr. Welles was born in New York on October 14, 1892. He was a son of Benjamin and Frances Weyth Swan Welles and a grandnephew of U.S. Senator Charles Sumner, of Massachusetts, one of the leading antislavery orators. After graduating from Groton School, he received an A.B. degree from Harvard in 1914 and entered the State Department, partly through the influence of a family friend, Franklin D. Roosevelt, then Assistant Secretary of the Navy.

He was efficient, precise and reserved and went rapidly to the top after having held minor posts in the Tokyo and Buenos Aires Embassies. By 1920, Mr. Welles was Assistant Chief of the Division of Latin American Affairs of the State Department and gained much field experience as a general utility man on diplomatic and diplomatic-financial missions to such places as Haiti and Honduras.

After a tour of duty with a U.S. financial mission in Santo Domingo, Mr. Welles wrote a book called "Naboth's Vineyard," using the theme of a Bible story in which Naboth is murdered at the instigation of the Jezebel to obtain his vine field. In Mr. Welles' book the Dominican Republic was Naboth's vineyard and the United States was Jezebel.

WAS ENVOY TO CUBA

When Mr. Roosevelt entered the White House in 1933 and Cordell Hull became Secretary of State, Mr. Welles became Assistant Secretary of State. His knowledge of Cuban affairs prompted President Roosevelt and Hull to send him to Cuba as Ambassador, a post that he held from April to December of 1933. He was succeeded by Jefferson Caffrey and returned to his post as Assistant Secretary of State.

After William Phillips became Ambassador to Italy and his place as Under Secretary of State became open, Mr. Welles and R. Walton Moore, both Assistant Secretaries, were considered for the promotion, which went to Mr. Welles on May 21. The post of counselor was revived for Mr. Moore.

World War II seemed to be in the making and, as a high officer in his country's first line of defense, Mr. Welles proposed a White House meeting of foreign Ambassadors to discuss world peace. It was a spectacular bid for world accord and it was favored at first by Mr. Roosevelt, but Japan and the other so-called aggressor nations were lukewarm to it. The conference was not held.

Mr. Welles' success in keeping his Government informed during the 1938 Munich crisis won Mr. Hull's praise and after the outbreak of World War II Mr. Welles headed the U.S. delegation of the American Republics' peace conference in Panama City.

The conference, held 3 weeks after the start of the war, declared a 300-mile-deep neutrality zone about the Western Hemisphere, but the belligerent countries paid no attention to it. Mr. Welles represented the United States at a meeting of an Inter-American Financial and Economic Committee in Washington that year.

SENT ON TOUR BY ROOSEVELT

On February 9, 1940, about 4 months before the sitdown war gave place to the allout war, Mr. Roosevelt announced that Mr. Welles would visit Rome, Vatican City, Berlin, Paris, and London as his personal representative on a factfinding mission. Mr. Hull was not enthusiastic about Mr. Welles' mission, which did, in fact, produce a crop of rumors. One of them was that Mr. Welles was empowered to negotiate a peace-at-any-price settlement that would have aided the Germans.

Some time later, recalling his 1940 European trip, Mr. Welles wrote that he had found Mussolini of Italy overweight and had noted that he sipped a hot brew and kept his eyes closed during most of the interview. Somewhat to his surprise, Mr. Welles found Hitler dignified and his voice low and well modulated.

Neville Chamberlain, Prime Minister of Britain spoke of Nazi aggression with white-hot anger and Edouard Daladier, Premier of France, was lucid, vivid, realistic, Mr. Welles found. He also called Pope Pius XXIII one of the constructive forces working for the regeneration of mankind.

Upon his return, Mr. Welles made a report to President Roosevelt and Secretary Hull that Mr. Hull called superb in its mature insight and well-ordered expression of opinion.

Before going to Europe, Mr. Welles had accepted an important position on the Advisory Committee on Problems of Foreign Relations formed by Mr. Hull. Later Mr. Welles was chairman of one of this group's subcommittee that prepared plans for a postwar organization that eventually became the United Nations.

AT CHURCHILL CONFERENCE

The next year Mr. Welles was among those who accompanied President Roosevelt to the historic meeting with Sir Winston Churchill aboard the battleship *Prince of Wales*, off Newfoundland, that resulted in the Atlantic Charter.

After the United States entered World War II, Mr. Welles headed delegations to the Panama neutrality conference and to the 21-nation hemisphere solidarity conference that opened at Rio de Janerio on January 15, 1943. Mr. Welles' energetic maneuvering was followed forthwith by declarations of war on the Axis by all of the conferring countries except Argentina and Chile.

For some time, however, Secretary Hull and Mr. Welles had not been in complete agreement on several important phases of foreign relations. The differences between Mr. Welles and his immediate superior were discussed widely in the press and on September 30, 1943, Mr. Welles resigned and devoted himself largely to writing commentaries on foreign affairs.

In addition to "Naboth's Vineyard," published in 1928, Mr. Welles was the author of a number of books, including "Four Freedoms" (1942), "The Time for Decision" (1944), "Where Are We Heading?" (1946), "We Need Not Fail" (1948) and "Seven Decisions That Shaped History" (1950).

After his retirement from the Government, Mr. Welles spent much time at his country home, Oxon Manor at Oxon Hill, Md., not far from Washington. On December 27, 1949, he was found unconscious in a woods on his estate, suffering badly from exposure. He was taken to a Washington hospital where it was feared that amputations might be necessary. Mr. Welles recovered without surgery, however.

HAD HEART ATTACK

He explained that he had been stricken with a heart attack while taking a walk in the woods to overcome insomnia, and that he had fallen unconscious.

Mr. Welles had spent most of his time in recent years either at his home, 1840 24th Street NW., Washington, or at his summer residence at Bar Harbor, Maine. He had withdrawn completely from public affairs since his 1949 illness.

His clubs included the Metropolitan in Washington and the Knickerbocker and Union of New York.

In 1915, Mr. Welles married Miss Esther Slater, daughter of Horatio Nelson Slater 2d, a Webster, Mass., cotton manufacturer. They had two sons, Arnold Nelson Welles and Benjamin Welles, correspondent for the New York Times in Spain.

The marriage was terminated by divorce in 1923, and 2 years later he married Mrs. Mathilda Scott Townsend Gerry, former wife of U.S. Senator Peter Goelet Gerry of Rhode Island.

His second wife died in 1949, and in 1952 Mr. Welles married Mrs. Harriette Post, who had resumed her maiden name after divorce from Baron Emerich von Jeszensky. The third Mrs Welles is a daughter of the late George B. Post, a founder of the New York Stock Exchange firm of Post & Flagg.

Surviving besides his widow and two sons are a sister, Mrs. Harry Pelham Robbins, of Southampton, Long Island, and six grandchildren.

A brief service for Mr. Welles was held this afternoon at the residence where he died. This was to be followed by cremation, as Mr. Welles had requested.

A memorial service will be held at St. John's Protestant Episcopal Church in Washington on Tuesday at 4 p.m. An additional service will be held at St. Bartholomew's Protestant Episcopal Church in New York on Friday at 2 p.m.

Sam Rose Addresses Annual Meeting of Spanish War Vets

EXTENSION OF REMARKS
OF
HON. LEONARD FARBSTEIN
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES

Friday, September 15, 1961

Mr. FARBSTEIN. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following:

SAM ROSE ADDRESSES ANNUAL MEETING OF SPANISH WAR VETS

Sam Rose, chief of contact at the Veterans' Administration, was one of the featured speakers at the annual convention of the United Spanish War Veterans at Little Rock, Ark., this week. Following is the text of Rose's address:

Mr. Chairman, Commander in Chief Howard, National President of the Auxiliary Mrs. Cone, distinguished guests, ladies and gentlemen, I am happy to bring you the warm greetings of our Administrator of Veterans' Affairs, Mr. John S. Gleason, Jr.

Let me give a hearty salute to C. E. M. Howard, your commander in chief, J. H. McElroy, your adjutant general; all of the rest—fine, dynamic men, men much younger in spirit than the number of their years would indicate.

It gives me a deep feeling of pride and pleasure to appear at another of your encampments—63 national encampments. What an amazing record. The record of your encampments spans all those inventions and developments, good and bad, that we view as essential parts of our way of life.

While you were meeting in your first encampment, a curious and inventive mechanic was tinkering in a barn in Dearborn, Mich. His name, Henry Ford, and his tinkering changed the habits of America.

While you were gathering in your fifth encampment, two brothers were stealing time from their bicycle repairing to devour all the books they could find about how birds could fly and how gliders could stay up in the air. Soon the sands of Kitty Devil Hill in North Carolina were to witness the miracle of men with wings, and the age of airpower dawned on the unsuspecting world.

While you met in your 44th encampment, a group of dedicated men worked day and night under the west stands of an athletic field at the University of Chicago. The result of their work was spectacular; for those men first liberated and controlled the power within the atom.

You have seen the birth of the automobile, the airplane, the atom, and now the exploration of outer space. What an exciting time to have lived. And how your fellow Americans look up to you for without a doubt you bear, nobly and with dignity, the history of our country on your shoulders. And a very vital and significant part of our history was your war, the war with Spain, the war that endowed each of you here with everlasting memories, your war that forever etched the names of San Juan Hill and the jungles of the Philippines into the annals of American bravery.

You served your country well and faithfully in the Spanish-American War and you are still serving in the same exemplary manner in 1961. No group wears a prouder badge of courage and honor than that to which your membership, by your service and sacrifice, is richly entitled. For you are distinguished not only by your exploits in combat, in time of war, but equally by your many contributions, and the constancy of your patriotism, in this difficult peace.

For service seems to be a keyword in your organization. You give of yourself in service to veterans in our hospitals; you provide an inspiration to your fellow citizens of all ages; you contribute to others every day of your lives.

We sincerely hope every day of your lives will be filled with the satisfaction that comes with dedicated service. For do your members really retire at any age? Not a United Spanish War veteran. Not as long as there is work to be done or a contribution to be made. And that is the secret of the youth of this organization—for age is not measured in years, but in spirit, and you men have found the Fountain of Youth more certainly than Ponce de' Leon. Your spirit has found its Fountain of Youth in unselfish service and patriotic dedication to America. You have earned the respect and yes, the love of all America, and we of the Veterans' Administration consider it an honor and privilege to salute you.

We consider you very special veterans.

Let me give you a few facts to show you just how special we think you are. Our most up-to-date records show that there are some 29,000 Spanish War veterans on our pension rolls. In addition, VA checks are being mailed regularly to the surviving dependents of 76,000 deceased Spanish War veterans. A total of about $124 million was paid out to veterans and to the dependents of deceased Spanish War veterans during the past fiscal year. On an average day of the year, such as today, September 18, 1961, you wil find about 1,400 Spanish War veterans receiving VA hospital care. You will also find some 200 others as members of our domiciliaries.

I am so proud and enthusiastic about the VA medical program that today I want to touch on just one—but a very important facet of it—the VA medical program for the aging.

VA's attack will be twofold: Adding years to the life of veterans and, what's more important, adding life to the years of veterans. Behind all of VA's many activities in behalf of the aging veteran—medical, social, economic, lies a single thread of philosophy which is true for all humanity.

Life is precious, is glorious—at any age.

The Veterans' Administration with its 170 hospitals from one border of our land to the other is rapidly becoming the Nation's largest center for research into the ailments of an aging population. Almost one-third of VA's medical research is related to the aging and, at present, our personnel is actively engaged in approximately 2,500 projects in this field. This would include, among many others, heart conditions, arthritis, and studies on the aging process of the older person. These studies include patients in hospitals and outpatient clinics. In the field of outpatient care there are specific studies of the Spanish-American War veterans underway at Brooklyn, San Francisco, and Boston. There is a VA-wide study of cancer. This is a cooperative study with private medicine and medical schools, which includes a survey of the various diagnostic tests and treatment procedures, chemical, X-ray and surgical.

There are thousands of outpatient visits by Spanish-American War veterans to our clinics and private physicians under the VA program each year. Our outpatient care also covers home visits by physicians and nurses.

I know I do not have to tell you these things to prove to you that you are remembered, and respected, and thought about every day as our senior citizens, beloved by all Americans.

Thank you again, my dear friends, for allowing me to come to your encampment, and for your kind invitation to address you. You have honored me by your invitation.

To paraphrase the words of Heinrich Heine:

"The years keep coming and going,
Men will arise and depart;
Only one thing is immortal:
The remembrance in your countrymen's hearts."

Ammunition

EXTENSION OF REMARKS
OF
HON. BARRY GOLDWATER
OF ARIZONA
IN THE SENATE OF THE UNITED STATES

Wednesday, September 27, 1961

Mr. GOLDWATER. Mr. President, soon to appear is the first edition of a newsletter edited by Miss Martha Rountree whose distinction as a television and radio personality has been recognized for many years. I ask unanimous consent that this first edition entitled "Ammunition" be printed at this point in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

AMMUNITION—VOLUME 1, ISSUE 1

We as a nation should be alerted: There is a danger that many of our top secret messages could be intercepted by Soviet agents right under our noses.

There is a very real danger that secret messages to and from various sensitive agencies around the world; to and from our allies; to and from the U.N., could be intercepted, copied or tampered with by the enemy.

One reason for this is that many of the communication lines (the tie-lines and leased lines used for telegrams and cables) are serviced by the American Communications Association, a union which had repeatedly been found to be a Communist-controlled organization. This union was expelled from the AFL–CIO in 1950 for following a policy that was directed "toward the achievement of the purposes of the Communist Party."

It has been stated by experts that the possibility of sabotage in the communications area was the greatest danger to our national defense.

The fact that there is a danger calls for a thorough congressional investigation and then legislation that will eliminate the danger of espionage through or sabotage to our communications system.

Back in 1956 the Senate Internal Security Subcommittee held hearings on this situation. At the time, the General Counsel for the Defense Department was Wilber Brucker, who later became Secretary of the Army. Brucker confirmed the story in testimony before the committee.

In the fall of 1960 the House Committee on Un-American Activities heard testimony on Communist penetration of communications facilities which proved a danger to our security still exists.

Recently, following inquiries from constituents, Senator KENNETH KEATING of New York, asked the Department of Defense for an explanation. This was the Pentagon reply:

"Persons servicing Department of Defense communications lines do not, simply because of the nature of their work, have access to classified information or to locations designated as 'restricted areas,' and that before persons whose work requires access to classified information or to restricted areas are permitted such access, they must first have been granted an authorization for access to such information and areas."

Right here, we would like to quote the testimony of the Defense Department's General Counsel, Mr. Brucker, to the investigating committee when he was asked:

"Is there any way that the Defense Department could preclude access under existing law, preclude access to the tie lines and leased lines out at the Pentagon to per-

sons in the American Communications Association, a Communist-dominated organization?"

Brucker's answer: "I know of none."

Another question:

"In other words, at the present time, although the tie lines and leased lines out at the Pentagon are serviced by a Communist-controlled organization, the Defense Department, is under existing law, helpless to protect itself?"

Brucker: "To that extent it certainly is."

And this question, a very important one.

"Are you cognizant of the fact that there has been testimony before the Internal Security subcommittee to the effect that persons under the discipline of the Communists controlling the American Communications Association now have access to messages coming from the Pentagon by a monitor system whereby they can plug in, listen to conversations?"

"Regrettably, yes, I know that."

Another question:

"Are you conversant with the facts which have been revealed by the Internal Security subcommittee of the Senate to the effect that restricted telegrams coming in from the Pentagon have been intercepted by persons under discipline of the Communist-controlled American Communications Association?"

Brucker: "I am aware of that."

And this question:

"Are you conversant with the fact that the North Atlantic cable which carries very important messages vital to the security of our Nation is now serviced by the American Communications Association, a Communist-controlled labor organization?"

Brucker answered: "I have learned that, too."

To set the record straight, one of the earlier questions directed to the Defense Department's General Counsel (later Secretary of the Army) Wilber Brucker at the time was:

"Are you aware of the fact that the tie lines and leased lines out at the Pentagon at this very hour are serviced by the American Communications Association, which has repeatedly been found to be a Communist-controlled organization?"

The answer from Brucker was:

"I see your point and I am very glad that you raised that. Yes. And we are disturbed."

The committee then asked Brucker:

"And I take it, if I am not being a little bit redundant, that under present powers vested the Defense Department is absolutely helpless to cut off that access to the messages?"

Brucker answered: "That is correct."

Getting back to the letter from the Pentagon assuring the Senator that all was well * * * the letter says in part:

"It should also be noted in this connection that all classified messages are transmitted in code so that persons who may be engaged in servicing communication facilities are not in a position to gain knowledge of the content of messages."

Now on that very point, Brucker was asked:

"Are you at all conversant with the general, not the specific, the general technique of trying to break a code, one nation trying to break the secret code of another nation?"

Brucker: "Yes, I am."

Follow up question:

"You know of course, do you not that one of the techniques of trying to break a code is to have access to messages involved in sending that code, is that not correct?"

Brucker: "That is."

And then the $64 question:

"Is it not true that coded messages of the Pentagon, highly confidential coded messages of the Pentagon which go out over the tielines and leased lines serviced by the Communist-controlled American Communications Association are in such situation or status that they can be available to a monitoring system even though in code to persons under discipline of the Communist-controlled American Communications Association?"

Brucker: "You have described it correctly."

The testimony was lengthy and is a matter of record—a record available to any American, or any Congressman and Senator who would care to request it, but we will conclude this particular testimony with just one more of the recorded questions and answers.

This question again directed to the Defense Counsel:

"And do you as the General Counsel of the Department of Defense, feel that that condition, that situation, is a large or at least a situation of grave concern to this Government?"

The answer—Brucker:

"I feel, sir, that that situation is nothing short of deplorable to be allowed to continue any longer than is absolutely necessary."

One Senator on the committee asked:

"In addition to the existing situation so far as monitoring is concerned, those people are always there to sabotage those very important communication lines, aren't they?"

The answer:

"They are, and while I would not describe or give any information of an unclassified nature, I know a place or places where that could occur with disastrous results."

The recent letter from the Defense Department to the New York Senator stated that:

"The authority of the Department of Defense to protect its sensitive information from untrustworthy persons does not include the power to expel these same individuals from the premises where classified work is being performed, and that the Defense Department does not consider it unreasonable to assume that there are some among those who continue to be employed on nonsensitive work in the same facility who constitute a physical threat to the security of the facility."

It is true that the Brucker testimony was taken 6 years ago. But, each year we have checked the situation and each year it has remained the same. The threat still remains. Only a few months ago, over in the House, the story was updated and found to still be the same. Legislation from time to time has been offered, but, as of today, little has passed.

The root of this cancer is buried at 60 Hudson Street, New York City—the Western Union Building—where employees are under the control of the American Communications Association (the union described as being Communist controlled), and certified by the National Labor Relations Board of the Government of the United States of America. Under this certification, Western Union is compelled to bargain and deal with the American Communications Association.

Daily, thousands of messages make the trip from Washington's Pentagon to the termination point or relay point at 60 Hudson Street, New York City. Here messages of all kinds are handled by employees, under the control or domination of the American Communications Association. Many of these messages are Government messages from the U.S. Army, Navy, and Air Force and other Government offices. Messages to the United Nations terminate at 60 Hudson Street. The members of the American Communications Association handle messages dispatched and received by the most vitally important department of our Government including the Pentagon and State Department. The Pentagon or the State Department will tell you that they have ways of coping with the situation, that they have special scrambling devices, that they check the employees who handle special classified material. The truth of the matter is they can't check everyone. There is no way of being sure. Even if the Pentagon were sure that all is under control there, they can't prove to you that all is under control at 60 Hudson Street, where there is good evidence to indicate things are under the control of Moscow. At 60 Hudson Street messages for overseas could be intercepted, lines and cables used in times of national emergency could be sabotaged.

If the American Communications Association did not represent the telegraphers at the New York office, the Commercial Telegraphers' Union would.

The Commercial Telegraphers' Union, AFL–CIO, has fought the American Communications Association for over 10 years. This year, 1961, in a printed statement to its membership, the CTU said:

"ACA is not affiliated with the AFL–CIO or any other American trade union organization. In fact, ACA was expelled from the CIO in 1950 for following a policy that is directed 'toward the achievement of the purposes of the Communist Party'."

The same statement by the Commercial Telegraphers' Union, AFL–CIO, goes on to point out that:

"The ACA officers have refused for years to answer questions about their affiliation with the Communist Party. In 1951 the ACA officers were called before a subcommittee of the U.S. Senate. The following ACA leaders, who are still leading ACA, hid behind the fifth amendment and refused to say whether they were members of the Communist Party: Joseph P. Selly, president of ACA; Dominick Panza, vice president of ACA; Charles L. Silberman, editor of ACA News; Victor Rabinowitz, attorney for ACA. Six years later, in 1957, the Senate subcommittee called Joseph P. Selly and other ACA officers once again. Selly hid behind the fifth amendment and refused to answer questions about Communist Party membership. He also refused to say whether other ACA officers were Communists. Furthermore, he took the fifth amendment when he was asked if ACA had ever contributed money to any organization controlled by the Communist Party.

The ACA officers have been identified as Communists by witnesses under oath. On August 9, 1957, Mrs. Concetta Padovani Greenberg appeared before the U.S. House Committee on Un-American Activities in Washington. She testified that she had been employed by Western Union as a D&A clerk at 60 Hudson Street, New York, since 1927. She was an ACA member and on the ACA local executive board. She testified that she had been a Communist Party member for 13 years. She stated under oath that she knew the following as Communist Party members: Joseph Selly, president of ACA; William Bender, vice president of ACA; Dominick Panza, vice president of ACA; Charles Silberman, editor of ACA News. She also named the following employees in New York as Communist Party members: Sally Freestone, Ruth Bollinger, Frank Lagos and Clair Feller.

(NOTE.—In view of the above history, it was not surprising to read in the New York Times a few months ago (Nov. 30, 1960) that Victor Rabinowitz, who has been ACA's attorney for years, was representing the Cuban Government of Fidel Castro in a lawsuit against certain banks in New York City.)

According to testimony before the U.S. Senate subcommittee the rank-and-file members of ACA were defeated by a crooked election in their attempts to elect officers of their own choosing. Witnesses testified under oath that in 1948 Jack Jacobson, who is now president of of ACA Local 40, picked up ballots from ACA members in branch offices and at 60 Hudson Street, took the ballots to a room in the St. George Hotel, opened them

and made out new ballots for all ACA members who had not voted for the "right" candidates. After these ballots were "corrected" by Jack Jacobson, they were mailed from various sections of New York City."

There is more on the record.

We are told by one source close to the Pentagon, to quote in part:

"The communications network of the Department of Defense, both in the United States and abroad, requires servicing by many thousands of persons. Included in this large number are some who are represented in collective bargaining arrangements by the American Communications Association which was expelled from the AFL–CIO in 1950, because it was considered to be Communist dominated. As the employees have selected the American Communications Association as their bargaining agent, the association must be recognized by the employer. The certification of the association as a bargaining agent is outside the jurisdiction of the Department of Defense.

"While there are some instances in which members of this union are engaged in servicing communication networks used by the military departments, every effort is made to insure that classified information is not disclosed. The Department's requirements specifically prohibit the use of commercial telephone, telegraph and radio circuits for the transmission of classified information. Only special circuits, which employ the most highly sophisticated coding, encrypting, and scrambling devices, are used for the transmission of classified information. Military communications experts are confident that the use of these devices on circuits reserved for classified traffic effectively safeguards messages against espionage.

"Although untrustworthy individuals may be denied access to classified information and may be barred from closed or restricted areas where classified work is being performed, the Department of Defense does not have legislative authority to exclude these same individuals from the private premises of industrial facilities, if the employer chooses to assign them to unclassified work. Consequently among those who continue to be employed on nonsensitive work in the same facility, it is reasonable to assume that there are some who may be disposed to commit sabotage or to engage in subversive activities. Moreover, there are many important facilities wherein no classified work whatsoever is performed, but which because of their specialized capabilities can be considered essential elements of our overall national defense complex. This includes not only a large number of prime and subcontractors, but many supporting service facilities such as power, transportation, communications, and other utilities.

"Several legislative proposals relating to the problem areas (H.R. 5424, H.R. 5425, and S. 1769) have been introduced in the present session of Congress. These bills would extend the security program so as to include employment in vital defense facilities, even though no classified information may be involved. Specifically, these bills would authorize the Federal Government to guard strategic defense facilities against individuals believed to be disposed to commit acts of sabotage, espionage or other subversion. The Department of Defense is keenly aware of the fact that legislation of this kind requires careful and deliberate consideration in order that the rights of individuals and the rights of the Government to protect itself are kept in proper balance.

"The Department of Defense is fully mindful of its responsibilities in this area and within the limits of its present authority has sought to provide suitable and effective measures to protect the Nation's secrets. Whether the legislative proposals referred to above, or some other types of legislation would best serve to safeguard our defense facilities against both espionage and sabotage are ultimately for the determination of the Congress."

Whenever something seems wrong in Washington, everybody blames the Government. This time Congress must share the blame. There is enough evidence to indicate the need for legislation. And so far as the Government is concerned, they too are in possession of enough evidence to demand action. If the Government worked as hard to get legislation on situations like this as they do for other kinds of legislation, we would all be able to sleep easier at nights.

Agencies and private industries supplying the tools for our national defense should not have to cope with the danger of Communist penetration in communications—or anywhere else, for that matter.

During almost every legislative session session since 1951, general hearings held to determine the underlying facts of Soviet peneration of the United States, have revealed that the American Communications Association, controlled certain termination and relay lines involving Washington. As late as last year the House Committee on Un-American Activities, in a report published through the Government Printing Office reveals testimony on page 407, given by Mr. Tyler Post, then Director of the Office of Security Policy, Office of the Assistant Secretary of Defense for Manpower, Personnel and Reserve, to the effect that the situation we have described here continues.

Imagine, a union, any union, under the domination of the Communist Party, taking orders from Moscow, in a position to intercept messages to our NATO officers, our allies, our ships at sea, our armed services, our Norad headquarters, our representatives at the United Nations—all being censored or intercepted first by agents of a foreign power. Imagine what could happen in the event of war. Telegraphers under the domination of Moscow planted at relay points could reword messages, warn the enemy, advise the enemy, point out military orders, give the location of ships and submarines at sea, and, in radio stations throughout the country (scheduled to go off the air or on a lower frequency in an emergency) could under the command of a Communist, stay on the air, give false information, provide a homing signal for missiles, submarines, planes, and direct enemy agents, propagandize—need we go any further?

We are sure that when this letter is circulated a cry will go up to the effect that everything is under control—that special checks are made on those handling classified information, that special devices are being employed to defeat this menace—special scrambling machines to insure the safe communication of coded messages of classified nature. Our answer: do we know if the Communists have keys to these scrambling machines? Remember the defection of the two from NASA whose defection caused the codes of the whole free world to be changed? Can we be sure that every single message is kept tucked tightly to the bosom of trustworthy people?

We are grateful that our Government employs such measures. We are annoyed that the taxpayers' money must be spent for double care to outwit enemies, but—why should these enemies be on the spot in sensitive areas in the first place?

You will hear that the American Communications Association is certified by the National Labor Relations Board and the members and officers of the American Communications Association ask "Would we be certified if we were Communists?" The answer to that question is "Yes."

Mr. J. L. Wilcox, vice president of employee relations for the Western Union Telegraph Co., testified that under the law Western Union is compelled to bargain with the American Communications Association.

A member of the House Committee on Un-American Activities, during a hearing on Communist penetration of communications facilities, asked Mr. Wilcox:

"In view of the fact that the American Communications Association was expelled from the CIO because the CIO found that it consistently followed the Communist Party line, and in view of the fact that the officers who we have alluded to have been identified as Communists, why does Western Union bargain with the American Communications Association for these many facilities?"

Mr. Wilcox: "The answer to that, is very simple—simply because we feel we are obliged by law."

Question: "If you did not bargain with the American Communications Association on the various facilities on which they have been certified, you as a company would be in a positoin of engaging in unfair labor practice; is that correct, under the existing law as it is interpreted?"

Mr. Wilcox: "We certainly would."

Mr. A. Tyler Port, Director of the Office of Personnel Security Policy, has testified that the Department of Defense cannot assure the Congress of the American people that all reasonable measures have been taken to safeguard our national security because Communists are permitted to work in vital communication facilities. That the Defense Department understands that, regardless of what specific international development occurs, infiltration of the defense effort by agents of the Soviet Union is a continuing Moscow objective.

Mr. Port urged Congress to enact legislation providing the necessary means for excluding dangerous individuals from facilities considered vital to the national defense.

Unfortunately there is nothing in our laws saying it is a crime to be a Communist. For over 10 years that issue has been before the courts each time the Communist Party, U.S.A., has won out. But that's another story. Ammunition will tell you more of this one later.

Certainly legislation seems in order. To date, no adequate congressional action has taken place. Proposals still nestle deep down in the legislative hoppers, overlooked, forgotten, buried.

Congress should now enact legislation to protect the United States against all dangers in our communications system. Appropriate committees of the Congress should undertake speedily a study to determine what legislation is necessary to protect vital private and Government communications by telegraph, cable, telephone and radio from subversive activity.

The Department of Justice, acting under the Communist Control Act of 1954, should proceed against any Communist dominated unions which are functioning in defense work.

The NLRB should be given power to suspend a union from benefits under the Labor Relations Act when it find that officials of that union have filed false affidavits of non-Communist affiliation.

To conclude:

An investigation is needed now.

There is far too much evidence to dismiss the issue of Commuist penetration in communications.

We would hope that everything is cleaner than the proverbial hound's tooth, but if things aren't that way, we must act.

The concern of many that the problem is worse than indicated motivates us to deal with this ticklish issue first.

MARTHA ROUNTREE,
Editor.

P.S.—Next week we will document for you the story of the millions of dollars worth of strategic goods that your Government is permitting to be shipped to Russia and other Iron Curtain countries. It's an amazing story.

M R.

Passing to the Offensive

SPEECH
OF
HON. MELVIN R. LAIRD
OF WISCONSIN
IN THE HOUSE OF REPRESENTATIVES
Saturday, September 23, 1961

Mr. LAIRD. Mr. Speaker, last June at Seattle University Dr. Charles Malik, a professor at American University in Washington and former president of the General Assembly of the United Nations, delivered the commencement address to Seattle University's graduating class. The subject of Professor Malik's address was timely in June and has been increasing in importance and relevance ever since. The address, entitled "Passing to the Offensive," deals with the complexion of the free world and is an indictment of the West's present attitude toward the insidious machinations of the Communist endeavor.

I heartily commend Professor Malik's effort and genius in presenting in an enviable manner this difficult topic and I request unanimous consent that his remarks be inserted in the RECORD at the conclusion of my remarks.

Mr. Speaker, we have been on the defensive for many years now. We have allowed the Communists to make a mockery of our institutions, our beliefs and our system. We have been apologizing for our practices, our profits and our way of life. In Dr. Malik's words:

Morally and spiritually the Communists put you and me on the defensive; they talk in terms of "capitalism," "imperialism," "colonialism," "monopolies," "profits," "exploitations," "means of production"—all purely economic, purely materialistic terms.

And how do we engage ourselves in debate with them? We usually answer that the exploiting capitalism of the 19th century no longer exists, that imperialism has been liquidated, that monopolies are now owned by the people, and that, as to profits, everybody now shares in them.

Dr. Malik is, of course, right. We have been apologizing to the Communists and our voices have had a ring of feebleness and a sickly note of timidity. If we do not believe in our system, if we must continually go on the defensive, if we cannot face up to the Communist challenge and assert our pride in our heritage, our Nation, and our system, if we must grovel and whine, defend and apologize, why, then we deserve what the Communists have in store for us and we will have only ourselves to thank for whatever becomes our lot.

Dr. Malik says:

There are people and forces inside and outside the Western World whose effect is to undermine whatever unity there is in that world. I am not thinking of the Communists whose very purpose is to conspire in that direction. I am thinking of the soft-headed, the duped, the tired, the frightened, the sentimental, the superficial, the unauthentic, and the perfectly innocent who mean well. If these people have their way, freedom will finally fall by sheer division and default. An offensive must therefore be mounted on this front.

We are running out of second chances. We can mount an offensive geared to bring freedom to the Hungarys, the Laos, the Cubas, the East Berlins if we can find again the character and the courage and the firmness that make America the world leader it is today. If we heed Dr. Malik's advice and the advice of the many level-headed, clear thinkers in our midst and change our fumbling, groping tactics, then we will win the cold war.

The address follows:

PASSING TO THE OFFENSIVE
(By Dr. Charles Malik)

I

Those who have known in their lives and in their traditions the dignity of man and his freedom, those who for centuries have believed in, and have flourished on the basis of, the inviolability of the human person, have tended to be too much on the defensive. Often they have talked and acted as though they were in the wrong. A certain fright and timidity, nay a certain false modesty, has assailed them. Even if at times they find themselves apologizing for some shameful fact—and shame and apology could be signs of spiritual strength—they nevertheless appear to forget that in every sphere of life the offensive, if genuinely and rightly mounted, is the best means of self-defense. Nothing I believe is more needed today than for those who know and believe in God, truth, man, and freedom, to pass to the offensive.

There are five fronts in which it is necessary today to pass to the offensive. I may entitle these fronts the front of communism, the front of neutralism, the front of those who are engaged in undermining the unity of the Western World, the front of materialism, and the front of what I would term the least common denominator. The center of the first two fronts lies outside the Western World, the center of the last two fronts lies inside the Western World, and the center of the third front exists at once inside and outside.

II

Morally and spiritually the Communists put you and me on the defensive; they make us feel guilty, and we supinely accept the terms of their debate. They talk in terms of "capitalism," "imperialism," "colonialism," "monopolies," "profits," "exploitation," "means of production"—all purely economic, purely materialistic terms. And how do we engage ourselves in debate with them? We usually answer that the exploiting capitalism of the 19th century no longer exists, that imperialism has been liquidated, that monopolies are now owned by the people, and that, as to profits, everybody now shares in them. It is evident that there is about this response a pathetic air of apology, a ring of feebleness, a sickly note of timidity, and those who make it clearly suffer from a guilty conscience. When we thus accept to be drawn into debate with the Communists on their own terms we confirm them in the feeling that they were right; it is as though we were telling them, "You are right in your attack; we are sorry for our past ways; but behold, we have now corrected them."

This will not do. The Communists should be answered, not apologetically, not as though they were right, but in terms taking them completely off their guard. They should be answered in human, moral, and spiritual terms.

After saying two or at most three sentences on economic and social questions, or perhaps even before saying them, we should be in a moral-existential position ourselves to turn to these men and say to them:

What about freedom of thought and inquiry in your realm? Can people seek the truth really freely? Can they really dissent? Can they really question your fundamental presuppositions?

What about freedom of conscience and religion? Do you Communists go to Church? Do you fall on your knees and pray? And why do you persecute those who do?

What about human rights and fundamental freedoms? Which of these rights are really enjoyed by your people?

Tell us please, what is the object of your ultimate worship? Is it the theory of dialectical materialism? Is it atoms in motion? Is it force and revolution? Is it the satisfaction of your bodily and mental desires? Is it the Communist Party? Is it Marx and Lenin? And if they say it is Marx and Lenin, then we should be able to quote them some 50 statements by these men on moral and spiritual matters that would put them morally completely on the defensive.

What about the unity and the continuity of the tradition? Why is your movement an absolute break in that unity and that continuity?

Is there any free criticism of the government in your realm? Have your people ever been given a genuine free political choice?

What about your iron dictatorship? What about your police state?

What about the minority rule under which all Communist states languish?

What about the fact that, far from ever being chosen by the people, communism was always imposed by force by a handful of men?

What about the methods of subversion all over the world in which every dark trick of deceit and destruction is used?

What about the camps of forced labor?

What about Hungary, what about Tibet, what about the Chinese communes?

And since you always love to repeat that you are working day and night to "bury" us and that our children shall all be Communists, then let us assure you that in this you are completely mistaken, and that we are working day and night to liberate your people from your yoke, so that the day will come, and we trust soon, when the very names of Marx and Lenin shall be forgotten?

It is most important that the Communists be put on the defensive. It is most important that the total arsenal of political, moral, and spiritual values be brought to bear upon this struggle. Naturally, if we do not believe in the primacy of these political, personal, moral, and spiritual values, we will not bring them up at all, or we will bring them up with our tongue in our cheek. But to keep on talking only in their materialistic terms, to accept timidly their universe of discourse, to be constantly on the defensive vis-a-vis their onslaught, is already to have been vanquished by them.

One is not seeking to win a game of words and arguments: it is history and destiny that are at stake. I would certainly settle for losing the argument of words provided I win the contest of history. The pathos of the situation today is that the argument reflects the contest. It is most important therefore to develop and execute policies and actions that will put the Communists and their friends historically on the defensive. Those who believe in man and his freedom, who know truth, and who trust in God, the guarantee of all freedom and all truth, must therefore pass to the offensive, not only of thought and conviction, but of that real, decisive, historical action which shall cause the Communists to take to their heels.

III

The neutralist front is becoming more and more significant. Those who, for whatever reason, wish to remain outside the gigantic world struggle between communism and freedom have every right to expect the rest of the world to respect their freedom.

As a matter of fact, real neutralism, implying real freedom of choice and real in-

dependence of judgment, is a triumph for the idea of freedom. The free world can only welcome it.

But a neutralist, rightly asking that his will be respected, has no right himself to impose his will on others. By his own logic, he must not object if others choose not to be neutral in this great struggle. Himself refusing to take a stand, the neutralist must respect those who do. A neutralist who is all the time working to extend the domain of neutralism, especially if this extension happens to be at the expense of only one side, is obviously not neutral.

Nor will one who really wishes to—and can—stay outside the struggle, play one side against the other. A neutralist in that case identifies his interests with the division of the world. He flourishes so long as there is tension; as soon as tension relaxes, he ceases to reap much value from his neutralism. Below a certain degree of tension, and above a certain degree of tension when the pressure increases considerably on the neutralist to take a stand, neutralism ceases to be profitable. A neutralist, beginning by wanting to serve peace and understanding, could easily develop vested interests in the absence of peace and the absence of understanding.

Then there is a neutralism that is, in fact, a Communist front. In a life-or-death struggle this kind of neutralism cannot be tolerated.

Policies at the United Nations; policies at home; fundamental pronouncements; the tenor of the press; international political, economic, and military arrangements; the whole political, spiritual, and ideological orientation of the nation—all these things can serve as tests to distinguish the genuine from the false type of neutralism.

One sometimes gathers the impression that the West is on the defensive with respect even to the neutralist world. Therefore, the needed offensive here is simply to welcome and support the neutralism that is genuine; to be so strong and self-confident that one will not fall for the neutralism that is a fake; and to measure neutralism always by the radical historic struggle whose issue will determine the fate of everybody, neutralist and nonneutralist alike. Those who believe in man and his freedom, who know truth, and who trust in God, the guarantee of all freedom and all truth, must, while fully respecting the freedom of the true neutralist, nevertheless feel that in fighting for freedom, truth, and man, they are really assuming responsibility, not only for themselves, but for the ultimate interests of the neutralist nation itself.

IV

There are people and forces, inside and outside the Western World, whose effect is to undermine whatever unity there is in that world. I am not thinking of the Communists whose very purpose is to conspire in that direction. I am thinking of the softheaded, the duped, the tired, the frightened, the sentimental, the superficial, the unauthentic, and the perfectly innocent who mean well. If these people have their way, freedom will finally fall by sheer division and default. An offensive must, therefore, be mounted on this front.

England cannot be separated from Europe. Therefore, a determined effort must be made to heal the breach between the so-called inner six and outer seven.

France is an integral pillar of the West, and Western civilization is unthinkable apart from French culture. Therefore, France does not deserve an unequal treatment, and every force that tends to weaken or embitter or humiliate France must be resisted.

Germany must not be so slighted and intrigued against as to begin to think of neutralism as an alternative. Therefore, Berlin must not be abandoned, and those who desire a weak Germany must not prevail.

North Africa must be saved from chaos and bitterness. Therefore, the Algerians problem must be settled soon, with a view to developing a North Africa that is positive, cooperative, and friendly to the West.

Japan is vital to every balance in the Far East. Therefore, relations with Japan should be deepened further, in the service of freedom and man.

Latin America must not be allowed to drift toward neutralism and anti-Americanism. Therefore, far-reaching measures must be devised and prosecuted with a view to cleaning up the Western Hemisphere of the Communist virus and promoting the friendliest relations between Latin and Anglo-Saxon on the basis of their common civilization.

The United States cannot go it alone in the modern world. Therefore, isolationism, in all its subtle shades, should not have the last word, and America should embark on a bold, new policy of developing still more intimate relations with all her friends.

The impression is often gathered that, owing to national jealousies and conflicting national interests, the West is hopelessly divided on itself. A vigorous offensive for unity must, therefore, be mounted. For what is at stake today is not this or that nation, but the entirety of Western civilization, with its marvelous traditions of man, of freedom, of truth, and of God. Those who believe in man and his freedom, who know truth, and who trust in God, the guarantee of all freedom and all truth must, therefore, sink all their national differences in the interest of their one common civilization, which is not so mortally threatened and so dangerously undermined.

V

I include many things under the front of materialism. Besides softness and the life of ease, besides the quest after money and material gain, besides the all-consuming passion after economic security, besides greed and covetousness, and besides trusting only our senses and what they deliver, besides these things I include the fundamental spiritual attitude which denies real order in the nature of things, which denies that there is a real objective higher and a real objective lower, which instead derives the higher integrally from the lower, which obliterates the dimension of rank, excellence, quality, depth, and which, therefore, knows no rest, no grace, and no ultimate peace.

But there is a higher and a lower in the nature of things. An animal is higher than a stone and a man is higher than an animal. And in man his moment of understanding is higher than his moment of bodily desire, and perhaps his love is even higher than his understanding.

Nothing is more needed today than a mighty spiritual offensive which will put the material in its place and restore to the spiritual its original primacy and preeminence. The mind that understands and creates, the spirit that suffers and sacrifices and loves and is at peace with itself, the fellowship of the pure and free and transparent, the joy of conversation and reason and sharing, the soul that rejoices in beauty and grace and being, the good will that is full of light and positive intent, God, the absolute mind, absolute spirit, absolute love, absolute reason, absolute grace, absolute goodness, absolute Being—these things come first, and everything else second. Man, it seems, can never learn this lesson; he must always invert the right order of values and put the lower things first. That is why God had to shock him out of his senses by dying for him on a cross, in order that at least while He remains hanging on the cross, man has no choice but to see that God comes first. All the gadgets, all the machines, all the economic security in the world, all the titillations of our senses, all the hungers of our body, are nothing compared to these things. And these things have a being and an efficacy and an origin completely independent of all matter, all body, all machines, all security, and all hungers of our nature.

This does not mean that I scorn or spurn or sneer at the wonderful products of industry. On the contrary, I look upon science and industry as among the most important benefactors of mankind, and upon their products as among the greatest monuments of the creative mind and spirit of man. And if I can afford it, and if I am not engaged in some mortifying exercise for the sake of something higher, I will always buy the best car, go to the best doctor, drink the finest wine, live in the finest house, and sleep on the most comfortable bed. And, what is more, I will always wish and work, not only for me to enjoy these marvelous products of industry, but also for others to enjoy them. The concept of economic and social justice is an absolutely valid concept. But he who does not know how man may become so ensnared and infatuated by these things as to lose the original, sharp edge of his soul, has still much to learn.

Those who believe in man and his freedom, who know truth, and who trust in God, the guarantee of all freedom and all truth, cannot allow the creative sources of their being to be sapped by softness and materialism. Nor can they rise to the historic demands of the hour, in meeting the challenge of communism, in helping the noncommitted world, and in effecting the needed Western unity, except on the basis of the primacy of the mind and spirit. They must therefore rebel against the tyranny of the lower and reinstall the higher; on its legitimate throne.

VI

The question of the least common denominator is the distressing phenomenon of people without an enduring backbone. Because diverse points of view in this age are mingling and challenging each other on every turn, people with a weak backbone soon take on the color of those who surround them. This is very reminiscent of the parable of the sower in the Gospel where the seed has fallen among thorns, the thorns being the other points of view which so confuse us as to depress the truth to the least denominator common to all.

Let a Jew be present in a company of Christians, and the name of Christ can no longer be mentioned. Let a Catholic be present in a company of Protestants—or conversely—and the question of the Church is automatically muffled. Let a Molsem, or a Buddhist or a Hindu be present in a company of Christians, and soon you hear the statement that all religions are alike.

Let an atheist associate with people with faith, and soon the conversation turns to some political gossip or to social progress and the wonders of science. Let a man from Asia or Africa meet people from the West, and soon all that is important is technical assistance and the problems of development. Let a Communist meet a man from the free world, and soon the atmosphere is one of class struggle and pure economics.

Men of real backbone will never betray their fundamental convictions. They will never allow other points of view to dull or flatten their soul. They will at least remain silent, and silence often speaks a volume of words.

It is possible to be polite, without ever abandoning your convictions; it is possible not to offend, while absolutely remaining loyal to the best and deepest you know; it is possible to be understanding and helpful, without deluding others that you are one of them; it is possible to cooperate with others, while remaining firm in the truth as

God gives you to see the truth; it is possible to sacrifice yourself for them, without asking or expecting anything in return.

In this age of softness, appeasement and compromise, it is most essential that we pass to the offensive of holding fast to the deepest we know. The dimension of depth must be reopened with all its wonders. There is no excuse to live on the surface while the mysterious depths are beckoning us all the time. Who will remain the same man once he has really gone through the Book of Job or the Psalms of David or the Epistles of Paul or the wonderful Liturgy of Chrysostom or the incredible sufferings of Teresa or the unbelievable torments of Dostoyevsky? Once these mysterious heights are revealed, and with them and through them the infinite compassion and understanding and mercy of God, who can any longer live in the plains? In these matters what is possible is also necessary. Nothing is more tragic than if those who believe in man and his freedom, who know truth, and who trust in God, the guarantee of all freedom and all truth, should, in the intensity of the challenge, forget their principles or water down their beliefs. When the soul thus loses its integrity, none can respect it any more. Nor can it in the end respect itself.

The law of freedom does not require that all points of view should merge into a blur. All that is necessary is an order of mutual respect. Above all change and accommodation, one point of view should remain immovable and grounded as on a rock. When the darkness lifts, that which is held by the rock will lift all men unto itself. And its immovability will itself cause the darkness to lift.

VII

The present moment in history requires, more than any other moment in the past, that those who know and believe in man, freedom, truth and God, pass to the offensive on every front. The Communists must be put on the defensive by shifting the grounds of the battle from the economic and material to the moral and spiritual. The neutralism of the neutralists must not be allowed to weaken freedom and promote communism. Whatever the national sacrifices, the unity of the West must be strengthened fivefold. The primacy of the spiritual must be affirmed over all that is material, primitive, elemental. Those who know and believe in the truth must remain firm as a rock in their belief, whatever their association and whatever their trials.

To those of you who have completed their intellectual and spiritual preparation and are now leaving these halls of learning, this is my special message:

Live in this age—neither in the past nor in the dreams of your imagination. Understand that the battle which is now raging is perhaps the most decisive in history. Understand that the forces of darkness are joining hands on every side against all that is truth and God and light. Enter into the battle with all your enthusiasm and all your heart. Realize what an infinite honor it is to be living and engaged in the battle today. Never allow the enemy to put you on the defensive. Pass to the offensive on every front. In your own lives trust God despite all your frailties. He will save you in the end. You have seen great visions and you have dreamed great dreams. I beg you to remain faithful to the deepest you have known. In its own day it will lead you to the rock of certainty that can never be moved.

And when you have run your course, and you are about to receive the prize, may it be said of you that you overcame the powers of darkness, and may your heart then, in profound gratitude, reflect something of the humility that was Christ's, and of the joy of His victory over the world.

Our Forgotten Heritage

EXTENSION OF REMARKS
OF
HON. BARRY GOLDWATER
OF ARIZONA
IN THE SENATE OF THE UNITED STATES
Wednesday, September 27, 1961

Mr. GOLDWATER. Mr. President, recently there appeared in the Arizona Weekly Gazette an editorial entitled "Our Forgotten Heritage," written by the editor of that newspaper Mr. Henry Kiel. Because of the universal appeal of Mr. Kiel's message that we, as children of God, can find common strength in our spiritual beliefs to meet the threat of communism, I feel many of my colleagues will find this editorial of deep interest. Therefore, I ask unanimous consent that the editorial "Our Forgotten Heritage," be printed in the Appendix of the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

OUR FORGOTTEN HERITAGE

("Ye shall know them by their fruits. Do men gather grapes of thorns, or figs of thistles?"—St. Matthew 7: 16.)

We grow too soon old, and too late smart.

Nostalgia will conjure up, for most people of German origin, varied circumstances when ancestors repeated this admonition.

Prior to the introduction of radio onto the American scene the church, as a rule, was the center of the social behavioral pattern. When leisure hour entertainment, or occupation, was needed, we went to church. Books were not too plentiful. Talking moving pictures with cinemascope, color, Todd-A-O, and other gimmicks, were unknown. Television, of course, was in the future.

Young people, needing companionship, and wanting an opportunity to be with their favorite friends, had to go to the church. This usually meant twice on Sunday, again Wednesday night for prayer meeting, and choir practice on Friday night.

When newly married couples started their own home, if they stopped going to church it was for a short period of time only. Upon the arrival of their first-born they took the child and went back to church so that he too could have benefit of tried, and trusted, footsteps in which to follow.

These were happy families. They needed no barbitals or other transquilizing opiates for sleep. When they retired for a night's rest it was with a feeling of having done their best in the sight of God and man. Honest toil and serenity sprang from fulfillment of duty. Each day was full and each night welcomed.

Technology, however, brought some changes—something happened.

Audio and visual home entertainment, sound-technicolor moving pictures, of fine dramatizations, offered ample employment of leisure time. Books on every subject became available in cheap paperback volumes. Practical education, on every phase of contemporary living, was subconsicously acquired while being entertained.

The church was no longer needed. It no longer was necessary to pray for good crops and an abundant harvest. Where soil analysis disclosed deficiencies, chemicals were added. If it failed to rain fields were irrigated. Harvests were so bountiful surpluses piled up.

A philosophy of materialism now, 40 years later, permeates national thinking where once there was room only for development of spiritual well-being and church teachings.

Materialism, it is true, has its place in our life. When communism began to threaten the Nation in this era of technology, it would have been irrational not to progressively proceed with techniques which assure protection in case of defensive need.

But why apply the thinking based upon materialism to our dealings with nations, not allied with communism? Why meet the agnostic nation which delegates man to a position as chattel of the state on the basis of their materialism?

In competing with the Eastern bloc with their ideals based on materialism we are failing to use our strongest asset. Members of the Western bloc and neutral nations are all believers in the supremacy of God, a belief that made our Nation great.

These Western bloc and neutral nations all believe in the principle of the Golden Rule. All have an equivalent of the belief in the brotherhood of man. Would it not, therefore, be elementary to weld these nations to us by the simple expedient of pointing out that the world's problem is one in which unbelievers are making cold warfare on believers in, and children of, a living God?

What difference does it make if God is called by any other name if all believe in the Golden Rule? Faith is stronger than idolatry or materialistic substitutes. God's answer of love for fellowmen, properly used and intellectually proclaimed, will unite where materialistc beliefs, and promises based on material things, fail.

Review the creeds of those nations who are now either neutral, or alined with the Western bloc, what do we find?

Buddhist doctrine proclaims: "If a man foolishly does me wrong, I will return to him the protection of my love; the more evil comes from him, the more good shall go from me."

Hebrew doctrine says: "Thou shalt love thy neighbor as thyself—the stranger that sojourneth with you shall be unto you as the homeborn among you, and thou shalt love him as thyself."

When a disciple asked Confucius if there was one word which might serve as a cardinal precept of life, Confucius replied: "Never do to others what you would not like them to do to you."

Moslem truths proclaim: "Lo, those who believe in that which is revealed unto thee, Mohammed, and those who are Jews, and Christians, and Sabaeans whoever believeth in Allah and the Last Day and doeth right, surely their reward is with their Lord, and there shall be no fear come upon them, neither shall they grieve."

In the code of Hindu beliefs there is this edict: "Wound not others, do no one injury by thought or deed, utter no word to pain thy fellow creatures."

And, finally, as Christians, in the Sermon On The Mount, we are taught: "Love your enemies, bless them that curse you, do good to them that hate you, and pray for them which despitefully use you, and persecute you; that you may be the children of your Father which is in heaven."

Have we turned our backs on God? Do we no longer follow the precepts of this teaching whether it be given to us as believers in the Golden Rule through Hinduism, Buddhism, Confucianism, Islam, Judaism, or Christianity?

A better way to say "too soon old, and too late smart" is that it is not that life is too short, but rather that we are too long in taking on God's ways.

Instead of meeting Russian threats with material promises, let's adopt a code of moral rearmament. Flush out the tactics of the unbeliever. Show God-fearing nations that our enemy is common to us all. He is the scoffer, heretic, infidel: the agnostic. No

enemy of righteousness has ever prevailed against God. God, not the state, is supreme. The state that would make God's children subservient to a godless, classless society cannot prevail against Him.

Day of Reckoning

EXTENSION OF REMARKS
OF
HON. FRANCES P. BOLTON
OF OHIO
IN THE HOUSE OF REPRESENTATIVES
Wednesday, September 27, 1961

Mrs. BOLTON. Mr. Speaker, under unanimous consent I am inserting in the RECORD an article from Barron's Weekly of September 18 on the Congo:

DAY OF RECKONING—IT HAS COME FOR BOTH THE UNITED NATIONS AND THE UNITED STATES IN THE CONGO

To some future historian, especially one with an ironic turn of mind, the outbreak of open warfare in the Congo last week cannot fail to be a source of endless wonder. The ruthless attack on Katanga, to begin with, was launched by the United Nations, a world organization which, under the terms of its charter, is solemnly dedicated to the cause of peace. The brunt of the fighting was borne—"with great gallantry," according to dispatches—by troops of Sweden, India, and Eire, countries which boast an unbroken record of ignoble neutrality. Perhaps most incredible of all, the whole bloody business was apparently sanctioned by a U.N. resolution of last winter, which U.S. diplomats supported and subsequently hailed as a triumph of American statecraft.

Even then their complacency squared not at all with the facts. On the contrary, as we observed at the time (Marron's, Feb. 27), the U.N. resolution, with its insulting reference to Belgian mercenaries and its mandate for the use of force, constituted a scarcely veiled assault upon the Western position in the Congo. As the tragic events of the past few days have unfolded, it has grown clear that the assault is downright naked. Under the flimsiest of pretexts, and in violation of past solemn pledges, the U.N. command by military means has sought to impose the will of other Congolese authorities upon the independent state of Katanga. Thereby it is seeking to replace a government that is supported by its people and friendly to the West with an alien power, which, while theoretically neutral, in practice has worked to further the Communist cause in Africa. Whether or not it succeeds in its shocking design, the U.N. has fired a shot which will echo loud and long. Katanga has shattered once and for all the sprious moral facade with which some circles have endowed the glass house on the East River. It also furnishes one more devastating proof of the folly of American diplomacy, notably as practiced since January by the U.S. Ambassador to the United Nations.

In pursuit of a will-o-the-wisp known as world opinion, Washington, at his behest, has chosen to evade its obligations and to neglect its vital interests. The time has come, we submit, to call this disastrous policy, as well as those responsible for it, to account.

Such a reckoning by rights must begin with the Eisenhower administration, which, by cravenly "letting Dag do it," took the first steps toward undermining freedom in the Congo. However, for the current state of affairs, which finds the United States in effect financing a war of aggression by its enemies against its friends, Messrs. Stevenson, Williams, Bowles, and Rusk must bear the blame. Last February, it will be recalled, after the death of rabble-rouser Patrice Lumumba, the U.N. Security Council convened in emergency session. In an atmosphere of crisis and riot, it passed a resolution, drawn up by Ceylon, Liberia, and the United Arab Republic (and supported by the United States), which called for "the removal of all Belgian and other foreign military and paramilitary personnel and mercenaries"; reaffirmed the supreme authority of the U.N. in the Congo; and authorized it to prevent civil war even, in the last resort, "through the use of force." Since then, under U.N. protection, a so-called Congolese Parliament has met and chosen a 46-man cabinet headed by Cyrille Adoula. The new regime at Leopoldville, significantly, also includes as Vice Premier Antoine Gisenga, a former Lumumba supporter who has been called a "Moscow-trained Red," and one of his henchmen as Minister of the Interior (who controls the police).

Since taking office in July, the Congolese Government, while nominally neutral, has lost no time in showing its true colors. It has invited Communist embassies, which had been shut down as centers of subversion by a predecessor, to reopen their doors. It also turned up among the nonalined states at Belgrade, where Premier Adoula, in a statement which attracted far too little notice here, boasted openly of furnishing support to the insurrectionists and armed invaders in neighboring Angola.

Above all, the Congolese authorities promptly launched a campaign of intimidation and pressure against mineral-rich Katanga, which, ever since Belgium granted the Congo its independence last summer, has flourished as a free state under pro-Western, pro-capitalist President Moise Tshombe.

As tension mounted and the threat of civil war grew, the U.N. command, which has had forces stationed in Katanga for over a year, went into action. Late in August it started to arrest and deport the white officers who have helped build up Katanga's army. Last week, under its so-called mandate to keep the peace, it launched what is tantamount to preventive war, not against the would-be aggressors in Leopoldville but against their target in Katanga. What the U.N. obviously expected to be a brief police action has turned into bloody fighting, which, at week's end, continued to rage.

Where the grim episode will end, no man can say. What can be said—or, preferably, shouted from the housetops—is that the whole affair is a damning indictment of the United Nations. In purging the Katanga army of its white officers, the U.N. forces behaved in the worst traditions of a police state, disdaining warrants and other legal procedures, ignoring contract or property rights and employing terroristic methods. In seeking to overthrow the Tshombe government by force of arms, the world organization has ridden roughshod over its oft-repeated pledges to Katanga, over the principle of self-determination, and over its pious professions of faith in peaceful negotiations and the rule of law. Politically and morally, the U.N. stands revealed to the world as bankrupt.

The same thing must be said of American foreign policy and of those who have planned and executed it. As Senator DODD, Democrat, of Connecticut, bitterly charged the other day, "If the Congo goes Communist, it will not be because of Soviet intervention, but because of intervention by a United Nations army, created by American policy and paid for by American money." Under Republicans and Democrats alike, in one part of the world after another, U.S. diplomacy for over a decade has been the gravedigger of freedom. In the interests of its own survival, this country can delay no longer in reversing its suicidal course.

New Jersey Tercentenary

EXTENSION OF REMARKS
OF
HON. HARRISON A. WILLIAMS, JR.
OF NEW JERSEY
IN THE SENATE OF THE UNITED STATES
Wednesday, September 27, 1961

Mr. WILLIAMS of New Jersey. Mr. President, within our own generation the cultures and societies of our planet have grown myriad and kaleidoscopic. Our knowledge of each other increases quickly. Because of this rapid, worldwide exchange—languages change, costumes and manners change—all this and more at an-ever increasing pace. The task of the historian is being jet-propelled to an ever-broadening horizon.

In a situation which promises constant flux it falls the duty of each generation to expose its young to the traditions and history of their common past else it becomes unappreciated and lost. For this reason, I am proud to endorse the New Jersey Tercentenary whose aims and plans are described in these articles—one from the Sunday Star-Ledger by John Soloway, September 10, and the other from the Newark Sunday Times by Elizabeth McFadden, September 17. Mr. Soloway's description of the persons who are working to create the Tercentenary is very vivid and thorough. Miss McFadden gives a detailed account of several exhibits which are near completion. All in all these two articles offer a fine résumé of the history and progress of the New Jersey Tercentenary.

I ask unanimous consent to include these articles at this point in the RECORD.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

[From the Newark (N.J.) Star-Ledger, Sept. 10, 1961]

STATE'S 300TH YEAR TO STAR PEOPLE, PURPOSE, PROGRESS—PREPARATIONS NOW UNDERWAY FOR GALA CELEBRATION IN 1964

(By John Soloway)

New Jersey will be 300 years old in 1964 and preparations for the celebration are already underway. In fact, they started a year ago when five of the State's top industrial art directors, in shirt-sleeve sessions at an East Orange hotel, began the successful 7-month search for the New Jersey tercentenary symbol. Before the celebration's over, some 70 million people from all over the globe at one event alone—the New York 1964–65 World's Fair—will know what New Jersey symbolizes for three centuries: people, purpose and progress.

FIRST TO SIGN

New Jersey, anticipating its tercentenary, was the first State to sign up for the fair at Flushing Meadow Park, and its pavilion has been assigned a choice 2-acre site adjacent to the Unisphere.

And as the panorama of events unfolds, 6 million Jerseyites—in pomp, pageantry, and programs—throughout the State's 21 counties and 500-plus municipalities, will join the statewide celebration that is without precedent.

The public touch-off of the anniversary observance is scheduled for next Sunday when the 16-ton New Jersey tercentenary historymobile roars into the State fair at Trenton.

TO TRAVEL 8 MONTHS

Following its appearance in the State capital, the historymobile will take to the road to proclaim the upcoming festivities. The vehicle, donated by New Jersey Bell Telephone Co. and the Ford Motor Co., will travel the State from April 1 through November 30 annually.

The wheels for the State celebration actually began to turn on June 24, 1958, when the legislature voted "to formulate and implement a 5-year program for the proper observance of the beginnings of New Jersey and its subsequent role in the lives of the people of this State and Nation."

The 11-member tercentenary commission, headed by Union County Senator Robert C. Clane, began its plans almost immediately.

STILL GROWING

Tercentenary ideas were tested and perfected at brainstorming sessions of the commission's advisory committees, which are still being expanded.

At present, about 150 such committeemen, top leaders drawn from industry, education, finance, labor, government and history, advise and guide the commission.

Among the early advisers who have become committee chairmen are:

Lee H. Bristol, chairman of Bristol-Myers Co., ways and means; Robert M. Lunny, director of the New Jersey Historical Society, historymobile; Dr. Hubert Schmidt of Rutgers University, historical; Dr. Frank B. Stover, Bloomfield superintendent of schools, education, and Thomas S. Ruzicka, art director of N. J. Bell, who coordinated the efforts of the five-man team that came up with the tercentenary symbol.

FEATURES TREE

The symbol, a three-section triangle, stands for Jersey's people, purpose, progress. The central figure is a stylized tree, symbolic of the growth and future of New Jersey.

The symbol will be reproduced many millions of times in newspapers, industrial literature, advertisements, school work, auto stickers, highway signs and other means, according to David S. Davies, the commission's executive director.

Once in general use, every resident in the State will come across it at least once a day, commission officials estimate.

TO BE HALLMARK

Commenting on its importance Governor Meyner said:

"Perhaps no single effort is of greater significance in establishing a sense of New Jersey than this symbol to represent the State's 300th birthday. Its wide and continued use during the coming 3 years will establish it as a hallmark of the tercentenary.

"This symbol represents another major contribution by New Jersey industry to the success of the State's tercentenary," added the chief executive.

Besides Ruzicka, art directors who served on the design group included: Edward Colker of Warner-Chilcott Laboratories of Warner-Lambert Pharmaceutical Co., Morris Plains; James K. Fogleman, CIBA Pharmaceutical Products Inc., Summit; Shelly Reed, Schering Corp., Bloomfield; and Norman S. Weinberger of Warner-Lambert Products Division of Warner-Lambert.

PLAN FAIR EXHIBIT

Design of another kind—involving architectural competition to determine the Garden State architect who will prepare plans for the New Jersey building at the World's Fair—was undertaken in the early stages of the tercentenary celebration preparations.

The New Jersey chapter of the American Institute of Architects gave unanimous approval to the competitive method of selection.

Marcel Villaneuva, of East Orange, headed the architects' committee and Sherley W. Morgan, director emeritus of the School of Architecture at Princeton University, was named professional adviser for the competition.

IN TWO STAGES

Stage I was a preliminary search for ideas from architects who were residents of New Jersey and licensed to practice in the State.

Stage II will be restricted to the finalists selected by the jury of awards.

The winners of the competition, each of whom won $1,000 and will develop final drawings under stage II, were:

Philip S. Collins and John R. Diehl, both residents of Princeton; Bernard J. Grad, with Harry B. Mahler, both of the Newark firm of Frank Grad & Sons, and George E. McDowell, of Montclair. The winner will be commissioned as architect for Jersey's building at the New York Fair.

DISCUSS PARKS

Another joint effort in connection with the State's tercentenary—this one by members of the Federal New Jersey Tercentenary Commission—may bring lasting benefit to New Jersey.

The Federal group, at its initial meeting, voted to give top priority to the establishment of Sandy Hook and the historic Monmouth battlefield as State or National parks.

A recreational facility at Sandy Hook has long been sought. The Federal commission believes that the tercentenary will set an appropriate target date for getting the job done.

Part of Monmouth battlefield is now for sale as an industrial park site. The Federal commission and its State counterpart are moving to investigate the possibility of purchasing and maintaining the land as a historic monument.

COUNTIES ACTIVE

Jersey's 21 counties began talking tercentenary a year ago, as well. Bergen was first to organize its 15-member committee.

At last reading, some 150 committeemen were stirring up new interest in the celebration, stimulated by county freeholder groups and State senators, who are serving as honorary chairmen of the county groups.

For 1964, histories of the counties will be written, historic buildings restored, archives programs inaugurated, and pageants dramatizing county growths presented.

On the municipal level, nearly a fifth of the State's cities, towns, and boroughs have about 1,000 committeemen, named by the mayors, planning and preparing.

URGE SPECIAL STAMP

Nationally, the drive for a tercentenary commemorative stamp will be renewed next January at the U.S. Post Office.

Philatelic societies and individual collectors had suggested that a special stamp be issued in 1963 honoring Jersey's 300th birthday.

A petition filed last year was bypassed by postal authorities on the grounds that commemoratives generally are limited to statehood anniversaries. New Jersey would, therefore, not qualify until 1987—the 200th anniversary of its ratification of the Constitution.

Negotiations were reopened this year through Robert J. Burkhardt, the Assistant Postmaster General now on leave for the Jersey gubernatorial campaign. He'll return to the post early next year.

All in all, New Jersey's tercentenary should be a humdinger.

[From the Newark (N.J.) Star-Ledger, Sept. 10, 1961]

AS WASHINGTON SAW THE DELAWARE

(By Henry Charlton Beck)

George Moorhead of Pennington brought me the facsimile of an old map the other night and so far it has led to a number of new adventures, as well as almost as many mysteries. Best revelation so far is that as far as George Washington was concerned, Alexandria was a place as well as a township, and that the place, today and for a long while and very good reasons, has been Frenchtown on the Delaware River.

The original of the map appeared in an early life of Washington. It is called "A Map of the Country from Rariton River in East Jersey to Elk Head in Maryland Shewing the several Operations of the British and American Armies, in 1776 and 1777." The publisher was C. P. Wayne, of Philadelphia.

A more military man than I might find special interest in the deployment of the armies and who was in command and precisely where. My special delight, and probably yours, is in the number and variety of place names and the spelling of them which in many instances has been lost in time. Beyond that the map presents a kind of miniature history of the little ferries along the river as they used to be.

The ferries are no more. In their place bridges have come and many of them have gone. Yardley, in Pennsylvania, is shown as Yardley's Ferry and here the bridge, hastily erected after the flood of several years ago broke through the earlier span, has just been removed in favor of a gigantic new span a little further up. This I crossed only the other evening, remarking the fact that new bridges have the habit of taking a running broad-jump and missing the lore along the river that lies below.

Next above Yardley's was McConkey's Ferry, now Washington's Crossing on both sides of the river, each side marked by a park and the New Jersey side by the McConkey house which is part of New Jersey's system of historic sites. There is a narrow bridge calling for a crawling speed, mindful that it simply will not do if automobiles get any wider.

Not far above was Blucmount's Ferry, or so the name seems to be spelled, and this one seems to have been utterly lost in the annals. Next name up is Falls, below Coryel's Ferry (with one "l" in this instance), and you know well that Coryel's or Coryell's Ferry by this time is Lambertville. There is a connection between the Coryells or Coryels of Coryel's Ferry and the men and women who knew Frenchtown as Alexandria, the place and not the remaining township.

Between Coryel's Ferry and Hart's Ferry, now Stockton, where there is a bridge even as there is at Lambertville, across from New Hope, Pa., was Robinson's Ferry, and if we were to piece together the story of the little ferries I shall have to have much more information on this. Much of the amazement of many, the Old York Road, which comes up through Pennsylvania by way of Jenkintown, is shown as crossing at Hart's (Stockton) and not Coryel's (Lambertville) no matter what the historic markers say.

Oh, yes, there is a road shown from Lambertville, pushing on through what is indicated as Amwell Meeting, now Amwell, to Ringo Town, now Ringoes, and then one up toward Flemington, once Flemingtown, but I always have gone along with the historians who wrote of and showed me the other way. Although the road was obviously more obscure, the road from forgotten Robinson's Ferry went directly to Ringo Town, with Rock Town, now Rocktown off the road entirely by this time, indicated almost as importantly as Ringo Town, which went through the processes from John Ringo's Town to Ringo Town and now, Ringoes.

In passing, I must point out some other names on George's old map which in themselves are challenges for new material or at least a regrooving of the record in the usual development of folklore. Somerset Court House is there and before you say that this now is Somerville I must contradict you and say that it was Millstone and that the first courthouse was burned there in a Revolutionary raid. Cranbury was Cranberry,

Hightstown was Hiatstown, and above it, on the road to New Brunswick, were the names, Storey, Jacques, and Striker. I would say that each was at least a cluster of houses.

Alexandria, as I have told you, is the name retained by a township in Hunterdon county and it must have had pleasant familiarity in George Washington's ears. To me it has been a familiar name as well as a cause for continued research because of the corporate name, St. Thomas's, Alexandria, a little church erected in 1723 and now completely restored. There is an alternate name appearing sometimes, St. Thomas's, Kingwood, the name of the township across the road. Some have said that there may have been an even earlier church across the way but I have come to the conclusion, for one reason and another, that the township line was either moved or made more definite as time went on.

It is a credit to the Episcopal Diocese of New Jersey that it assisted in the restoration of the oldest church in Hunterdon, indeed, that section of New Jersey. It was Calvary Church in Flemington that took the initiative and well I remember the locked and boarded-up gem of early American ecclesiastical architecture and the weed-grown graves, some of them those of veterans of the French and Indian War as well as the Revolution. I noted only the other day that the surrounding cemetery is now well kept and that Sunday services have been maintained throughout the summer. Surely this old church is worthy of the distinction of a national historic outpost and I hope that someone will put these wheels into motion one day.

It is the shrine of old St. Thomas' which has kept the name, Alexandria, ever green even more than the township in which it is located. However, before I take you on to Frenchtown, once Alexandria, at least as far as the old map and other records go, let me refresh your memory on some of St. Thomas' lore, still fringed with mysteries after almost 15 years of probing.

At what I will call the west end there once was an upstairs window, long ago artfully stoned in, supporting the conclusion that at one time there was a gallery and at least giving credence to the report that an arrangement was made for New Jersey slaves to sit there during services. I have even heard it said that these family retainers, who actually were more than slaves used the "lost" window as a door, but that would have required a ladder.

Often have I wondered about the name of the young woman who at the outset concentrated attention on the old church by expressing a desire to be married there. The warden of those days was the late Lester W. Oliver, Jr., of Clinton, who provided a key with which the long-closed door was opened and the shutters pried back so the girl could make an inspection. I was told later on, after preliminary arrangements for the wedding were begun, that the bride-to-be saw the tablet of stone, fitted into the wooden floor of the only aisle, just outside the sanctuary, and decided forthwith that she "didn't want to be married on anybody's dead body."

Some of us concluded that as much as her feelings must be respected, she would have had great difficulty in avoiding such a prospect in many historic churches, in this country as well as in Europe, where many a crypt is under the church floor. On the slab is this inscription: "In Memory of Lewis Stevens, Esq., who departed this Life April 19, 1772, Aged" (and here the number is still in doubt) "Years." Long after that, when the sagging floor was being repaired, I was one of those who explored the space underneath and there is some doubt in my mind that the marker was more than a memorial.

On the other hand, it is quite possible that all traces of the burial of Lewis, as well as that of his more celebrated brother, John, of the well-known Stevens family of Stevens Institute, could have vanished. Some of us felt like ghouls, investigating as much as we dared. However, the conclusions have gone back and forth over this intervening time—first we said that this was merely a memorial tablet, then we thought that there were graves, at least under or nearly under the altar, and then that the burials were truly in the glebe.

The Stevenses, who were builders and benefactors of the Church of the Holy Innocents, in Hoboken, owned the Cornwall farm, just down the hill from St. Thomas's, and here is the obituary notice of John Stevens, called "Great John" Stevens, even as my old friend, John Heaney, found it:

"Died, at his seat in Hunterdon County, N.J., on the 7th current, the Honorable John Stevens, Esq., aged 75 years, and was buried in St. Peter's Church at Cornwall farm near Pittstown. Mr. Stevens supported a very respectable character through life and by his death society have lost a valuable member."

This notice, John Heaney wrote, appeared in the New York Journal and Patriotic Register on Saturday, May 19, 1792. That the name, St. Peter's, was used in mistake never has been fully explained beyond the fact that it must have a reporter's mistake. The name always has been St. Thomas's and, in a moment, you will see why I feel it to be important that you have something of what you may have forgotten. Tom Gordon, in his Gazeteer of 1834, lists Alexandria as a place as well as a township and, further, locates an Episcopal Church there. No less than one I feel honored to call the town historian of Frenchtown, whom you will meet in a momnt, has told me that there never was an Episcopal Church in Frenchtown even when it was Alexandria, and that old St. Thomas's must have been the church to which reference was made.

Here is the Gordon entry: "Alexandria, post town of Alexandria Township, Hunterdon County, on the bank of the Delaware River, at the junction of Nischisakawick Creek with that stream, 11 miles west of Flemington, 35 north of Trenton, 189 from Washington Capital; contains a tavern, store, grist mill, and 8 or 10 dwellings, a Presbyterian and an Episcopalian church." I have taken the liberty of spelling out some of Tom Gordon's abbreviations inasmuch as they may mean little to many.

In the subsequent entry on Alexandria Township, Alexandria is listed as one of the post towns, along with Alexandria, Milford, Mount Pleasant, and Pittstown. The population in 1830, presumably when Tom was making his checkup, was 3,042. There is no reference to Frenchtown, as such, although it is quite possible that the new name, imported by French refugees who were taking up property there, were using it unofficially because of confusion with the township itself.

There were years of neglect which now, I am happy to report, may be forgotten in the tasteful restorations that have been accomplished.

Actually St. Thomas' lies between Pittstown and Everittstown and, after a few moments of great personal satisfaction, which I hope you will allow me, I pushed on to Frenchtown itself in search of someone who just might remember an older name, Alexandria, as it was prominently revealed on the "Rariton River in East Jersey" map. There are other ways to Frenchtown, of course, but the roads we chose were those best known to the men and women to whom the Revolution was a reality and for whom the French and Indian War meant the building of forts along the Delaware River.

There is a new, or comparitively new, way, by now—all the way up, or down, the Delaware, the very country into which the discovery of an old map pours a new interest—the Daniel Bray Memorial Highway, long referred to as "the Missing Link" in that here for the longest while, in spite of new and impressive roads elsewhere, there was little more than a wagontrack. Now the crowding rocks of a little mountain have been carved away and a road that few in New Jersey know well pays tribute to the man who gathered up the Durham boats for Washington's crossing of the river. Even so, only a homemade sign in Frenchtown proclaims the name.

At the spanking new post office in Frenchtown I inquired cautiously for the older name, Alexandria, and was told that there had been such. Taking a shot in the dark, I asked if there were any old books, or even little tattered brochures, on the rise of Frenchtown from Alexandria, and was told there were—which all goes to prove the old saying that you sometimes can't see the woods for the trees. In all my days in Hunterdon, particularly in Flemington, I had never heard the name, Clarence B. Fargo. He is, unquestionably, the town's historian, however unsung. "He wrote the history of Frenchtown in 1933," I was told, "and unquestionably he'd like to talk with you."

That is how I met Clarence B. Fargo, now 88, as amiable a longtime resident of Frenchtown as I ever hope to meet. And that is how I heard more of Paul Henri Mallet-Prevost, a native of Geneva, Switzerland, came to live there in 1794. Thought to be a Frenchman, so many decided that he was that Frenchtown quickly emerged from Alexandria which was, before that, Sunbeam.

[From the Newark (N.J.) News, Sept. 17, 1961]

NEW JERSEY AS CIVIL RIGHTS SOURCE—MOBILE EXHIBIT PREPARED FOR TERCENTENNIAL DEPICTS ITS ROLE

(By Elizabeth McFadden)

The portrait of New Jersey as a pioneering source of American liberalism is being drawn in a mobile exhibit being completed here.

It is the 16-ton unit that will tour the State between now and New Jersey's third centennial in 1964. Its first display will be at the State fair in Trenton Thursday.

Installed in 1 of its 10 display cases is the original "Concessions and Agreements of the Proprietors, Freeholders, and Inhabitants of the Province of West New Jersey in America, March 3, 1676."

They represent, says David S. Davies, executive director of the New Jersey Tercentenary Commission, the successful flowering in the raw, new country of the then revolutionary seeds of civil rights sown in Europe by men like John Locke.

LIBERAL GRANT

The concessions, a bid for settlers, gave, Davies says, a "liberal grant of freedom 125 years before the Bill of Rights." They assure trial by jury, due process of the law, and freedom of conscience and religion.

The precious document, signed by William Penn, among others, was brought here last week from the Burlington safe in which it is customarily kept by the west Jersey proprietors. It is insured for $100,000.

With other exhibits, it was brought to Texhibit Industries at the foot of Commerce Street here. The company renovated the mobile unit donated by the New Jersey Bell Telephone Co. for the commission's use. The exhibits will be changed in 1963 and 1964.

The 32-foot-long trailer has telescope sides that, when stationed at a supermarket, fair, or other busy centers, open to a width of 15 feet.

MONMOUTH PATENT

Visitors will then circulate past the exhibit's 10 jampacked cases to view the concessions and the Monmouth Patent of 1665, another landmark in American strides toward freedom for the individual.

This, although it was put out by an official who was under the mistaken notion he had the right to issue it, played a role nevertheless in developing American liberalism, Davies says.

It granted "free liberty of conscience without any molestation or disturbance whatsoever" in religion. It guaranteed the right of free election and the making of "such peculiar prudential laws and constitutions amongst the inhabitants for the better and more orderly governing of them."

The man who unlawfully promised such legal bliss was New York's Governor Richard Nicolls. He had been sent by James, Duke of York, to oust the Dutch after England's King Charles II had granted his brother the Dutch lands from the Connecticut River to the Delaware.

York wanted Nicolls to gain control of the territory for John, Lord Berkeley, and Sir George Carteret who bought the West Jersey province from him. They sent Carteret's cousin, Philip, to govern the tract. But, says Davies, the dream of liberalism smoldered in men's minds.

NEWARK PURCHASE SHOWN

What Davies calls the showpiece of the exhibit is an Indian diorama showing the purchase of Newark, July 11, 1667. Six figures, fashioned by a New York sculptor, Thomas Newbery, portray Indians of the Lenni Lenape tribe meeting white representatives of Capt. Robert Treat.

Two Indians are inspecting goods offered in trade. One is trying on a red, trooper's coat. Another looks at a basket of knives. A third is being offered a quill to make his mark on the deed.

Painted into the background by Robert Kane, New York artist, is a scene looking over the Newark Meadows. The site of the actual signing, Davies explains, was a spot now on Route 22 just west of an artificial lake made of the then meandering Weequahic stream and of manmade hills now separating it from marshland to the east.

Treat, Davies relates, thought Philip Carteret had cleared everything with the Indians for him to bring in a group of New Englanders.

INDIAN TREATY

But the leader of the band leaving one theocracy to set up another here found, Davies says, that the Indians had not been consulted.

Treat sent emissaries up the river to confer with 90-year-old Oraton, sachem of the Hackensacks, as the neighboring Indians were called. When they returned, leaders of the white settlers, who had established themselves in what is now Military Park, signed the pact in the diorama.

Review of the 1st Session, 87th Congress by Representative Melvin Price, 24th Congressional District of Illinois

EXTENSION OF REMARKS
OF

HON. MELVIN PRICE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 27, 1961

Mr. PRICE. Mr. Speaker, the record of the 1st session of the 87th Congress has been one of extraordinary activity—producing more affirmative legislation than any other session, certainly, since the end of the Second World War.

Three factors, as I see it, were responsible.

First. The Government was under the leadership of the same party in both the executive and legislative branches. A Democratic President had the advantage of a Democratic majority in the Congress heading the responsible committees and the leadership.

In the last 6 years of the Eisenhower administration, the Republicans were unable to hold control of Congress, and even in the first 2 years the Republican legislative majorities were paper-thin. Democrats cooperated honorably with the Republican President on all decisive issues of foreign policy. But on many domestic issues, divided control simply meant a stalemate.

Second. The times were ripe for action to meet piled up problems. Many issues had been debated for years and had been the subject of extensive committee hearings. Many programs approved in 1961 would have been enacted earlier, though perhaps in a more limited form, had Congress not been confronted with the actuality or threat of a Presidential veto.

Third. The leadership of President Kennedy proved vigorous and informed. The President had spent 14 years in the House and Senate and he understood many issues in the same frame of reference that Congress did. In addition, he showed consistently the instinct for action that was revealed during the campaigns leading up to the elections last November. It seems to many of us that he showed himself in harmony with a deep desire of the American people to break out of the long postwar confussions and move boldly into a future that promises something better than nuclear destruction.

A summary of congressional actions in the first session shows this record:

A new farm program was put into effect and broad new approaches were made toward the protection of city workers from the most damaging effects of the rise and fall of the business cycle.

An unusually large number of major laws were passed in the area of public services and substantial improvements were made in existing services.

A start was made toward revising the tax system in the direction of greater equity and of business stimulation.

A start of great importance was made toward basic improvements in providing sound educational opportunity, equality of job opportunity, and protection of the health of our older people.

Our foreign policies were maintained firmly, and I am happy to report that in this area the Republican minority in Congress gave the President generous bipartisan support.

Significant new steps were taken toward revision of our foreign economic aid programs—a revision that should help check the abuses in these programs and also make them more effective.

A beginning was made—a vital beginning—toward rebuilding our armed services to provide them the ground force and tactical muscle to meet the sudden emergencies of Soviet Union pressure, of limited or "brush fire" wars, of sudden explosions in corners of our dangerous world.

In my own work in the House, I have continued service on the House Committee on Armed Services and the Joint Congressional Committee on Atomic Energy.

These are important committees and I take seriously my work on them.

It was a source of particular gratification that President Kennedy, facing the crisis on Berlin, chose first to strengthen the ground and tactical forces. I protested years ago when the Eisenhower administration began cutting this strength, misled by its own slogan about getting "more bang for a buck." This was acceptance of a doctrine implying that any future collision would inevitably end in nuclear war.

I refused then—and I refuse now—to believe that we have no better answer. We must have flexible power, flexible power-in-being, to employ appropriate means to meet many kinds of pressure.

On one subject, I strongly disagreed with the President—his refusal to restore the drive for the B–70 manner bomber, with a prospective 2,000-miles-an-hour speed. Both Houses of Congress insisted on voting funds to push ahead with development of the B–70, and I earnestly hope that the White House and Department of Defense will reconsider their tentative decision not to spend the money.

There was satisfaction, also, in seeing a food-stamp plan put into effect after the previous administration had refused to use the authority Congress had granted.

I was a House sponsor of the bill, passed in 1959, authorizing the plan to employ our farm surplus to give better nourishment to needy families. Mr. Eisenhower's Secretary of Agriculture, Mr. Benson, declined to put it into effect. A food-stamp plan proved useful during the second World War, and I am happy that our program has now been started on a pilot-project basis by Secretary of Agriculture Freeman.

I have been naturally deeply concerned with Army Engineers and other watershed projects in St. Clair and Madison Counties, and I am happy to report substantial progress.

Surveys for the east side levee and sanitary district are within a few months of completion, partly because we were able to obtain more money to finance them.

All preliminary work has been finished for the Hog River and Pig Creek project in the Mascoutah area, which falls within the agricultural watershed program. Final approval has been given by the Committees on Agriculture of both House and Senate and this means that actual work should start soon.

We can anticipate final approval next year of the Kaskaskia River channelization project, which when completed will open up a large area of southern St. Clair County to industrialization. This has been approved by both the Army Engineers and the Budget Bureau and final congressional authorization is expected in the 1962 omnibus rivers and harbors bill. We were able to get continuation of funds for Carlyle Reservoir

operations, which are part of the Kaskaskia program.

The new Athens Flood Wall program will go into construction planning soon as the result of appropriation of $35,000 to the Corps of Engineers. This means the initial phase of construction for the flood wall will follow.

A year ago in writing a review of the last Congress, I pointed out that after 8 years of the Eisenhower administration there was "an accumulation of piled-up needs." Without disparaging the integrity of the former President, I cited shortages in schools, hospitals, college and university facilities, in our social security programs, in housing and farm programs. His administration, fighting to hold the line against these programs, had a vested interest in continuing the record of opposition.

The record this year is entirely different.

Congress with administration backing passed social security amendments broadening benefits for an estimated 4.4 million persons—and also provided for financing the increased benefits by higher payroll taxes.

Minimum benefits were raised from $33 a month to $40; widows' benefits were raised to 82.5 percent of husbands' benefits; men as well as women were given the right to claim benefits at age 62; increases were made in the Federal contribution for old-age assistance; beneficiaries were given the right to earn as much as $1,800 a year without sacrificing social security claims. The slightly higher taxes allowed this program to be put into operation with full fiscal protection of the system.

Congress passed an omnibus housing bill—a new program allowing a broader attack on urban blight and slums and offering some help to cities in meeting the difficulties of traffic congestion and outmoded transit systems. Mr. Eisenhower repeatedly vetoed less comprehensive housing bills.

Congress passed a new authorization increasing the program of Federal aid to assist communities in cleaning up our polluted river systems. Mr. Eisenhower for 2 years had tried to get Congress to kill the smaller program already in existence.

Congress increased authorized funds to complete the Interstate and Defense Highway System over a 10-year period—and showed a sense of fiscal responsibility by approving taxes to pay for the expenditures in a manner that Senator BYRD of Virginia said would "meet all the apportionments."

Congress passed a new minimum wage law, raising to $1.25 an hour the minimum wage in interstate industry and expanding the protections of the law to 3.6 million workers not previously covered. The benefits go into effect gradually over a 4-year period so to give business time to adjust.

This was the first time since the original Fair Labor Standards Act of 1938 was passed that coverage under the law had been broadened by amendments rather than narrowed. A new principle was established—that employees of great retail and other service industries have as much claim to basic wage protection as industrial workers. The Eisenhower administration blocked this kind of bill. In the Kennedy administration, Congress passed the program.

The Kennedy administration and the new Congress came into office at a time of sharp business recession. This recession was not acknowledged by the former administration during the political campaign—but it was a grim fact of life.

Recovery from the 1958–59 Eisenhower recession was never completed; unemployment ranged at about 5 percent in 1959–60, and by December 1960, had climbed back to almost 7 percent of the work force in a new recession.

The impact of automation and the shift of industry from old fields to new ones offer a serious challenge to our system. We have begun to develop programs that acknowledge its seriousness.

Congress passed a bill to extend benefits under unemployment compensation—and the bill provided for Federal advances to the States, to be repaid by increased payroll taxes, rather than through so-called Federal loans to the States, such as the 1958 Eisenhower temporary program offered—no State in fact has repaid any loans under that program.

Congress, at President Kennedy's request, passed a bill expanding the aid to dependent children program so that assistance would go to families where a father was unemployed—through no fault of his own—as well as to families where the father was too ill to work or had actually deserted the children.

Congress passed a new depressed areas bill to extend Federal loans, grants, and technical guidance to both urban and rural areas where industries have petered out and where joblessness is severe and chronic. Former President Eisenhower twice vetoed similar bills.

Congress took the first steps toward meeting the basic problems of automation by setting up a training and retraining program to equip workers with new skills they need to work in new industries and types of jobs.

Some enlightened democracies have long had such training programs, but never before Mr. Kennedy had any American President proposed that we recognize our full educational responsibility. We do not want ablebodied men, whose jobs have disappeared through automation or whose skills are outmoded, to sit in idleness and live in the despair of public relief.

Our business community has made a steady recovery from the recession. All the important statistics point to a rising level of business activity, which will mean both greater employment and profitable enterprise.

It should be clearly understood, however, that the 87th Congress and the Kennedy administration will not be satisfied with any so-called recovery that leaves great pools of unemployment at anything like a 5-percent level. The President has already announced he will submit proposals next year for permanent improvements in our jobless compensation system, in our tax system, in other programs that stimulate business and provide cushions against recessions. Our economic system spreads its rewards among millions of people, and we recognize our responsibility to help it work effectively for all our people.

The 1st session of the 87th Congress saw new approaches toward a long-range farm program to meet our needs.

The basic change has been one in philosophy; we look upon the productivity of our farms in food and fibers as a blessing instead of a curse.

We have a rapidly growing population, and the time is coming when we shall have immediate need for our abundance. There are hungry people in the world, and we have now a food-for-peace program that is searching for ways to use our surpluses more effectively.

Congress this year passed a new feed grains program and extended it for a second year. We passed an omnibus program providing new weapons for the Secretary of Agriculture in attacking the present problem of surpluses.

Still other weapons may be needed—but a change in attitude was the first thing. In the Eisenhower administration the Secretary of Agriculture tried to attack surpluses by decreasing price supports, which simply gave farmers an incentive to raise bigger crops to avoid a loss of revenue, and the surplus program cost more money than ever before. We intend to pursue a different course—with diligence and with a sense of stewardship.

We are heading into a budget deficit of an estimated $5.3 billion for the fiscal year ending next June 30. This results, however, from clear and special circumstances.

A major portion arises from the $3.5 billion in additional defense expenditures requested by the President as a result of the challenge of the Soviet Union on free Berlin.

Another major factor is Mr. Kennedy's realistic revision of the revenue calculations of the last Eisenhower budget. That budget did not take sufficiently into account the loss of revenue in corporation and individual income taxes that would result from the then-unacknowledged recession.

When business activity drops and people are laid off jobs, Government income suffers. Mr. Kennedy's Budget Bureau has estimated that revenues will be $1.4 billion lower for fiscal 1961 and 1962 than Mr. Eisenhower's Budget Bureau estimated them.

In the 1958–59 Eisenhower recession the loss of revenue and the rise in spending were so sharp that there was a whopping $12 billion deficit in fiscal 1959. Nothing approaching that figure is in prospect now.

We are putting our affairs in order and handling them in a businesslike way. The leakage of gold to other countries was halted. Steps have been taken—including action by Congress to reduce duty-free purchases by Americans abroad and to encourage visits to the United States by tourists from abroad—to equalize the balance of payments.

A beginning has been made on streamlining the independent agencies of the Government such as the Civil Aeronautics Board, the Federal Trade Commission, the Maritime Commission. Reorganization plans for the Federal Communications Commission and National Labor Relations Board were blocked, but modified plans are certain to be offered again.

As business improves and the administration pursues policies to reduce the level of long-term and chronic joblessness, Government revenues will rise again. With a steady growth rate, the economy can carry the burden of our necessary Defense Establishment and sustain the high level of social services our people desire and deserve in our modern democracy.

Congress stood firmly behind President Kennedy as the Berlin crisis sharpened, and I am convinced that our people are together on his pledge that we will gladly negotiate at any time for a peaceful settlement of all disputes with other nations—but that we will never sacrifice the freedom of Berlin and the North Atlantic Alliance that is the shield of the whole free world.

Some departures have been made in foreign policy—many of the greatest importance.

Action was completed on a new program of international economic cooperation when the Senate ratified a program instituted during the Eisenhower years.

The Kennedy administration developed a tremendously expanded program for economic development of our neighbors in Latin America—the alliance for progress that formed part of the President's inaugural address and was given flesh and structure at the Inter-American Economic and Social Conference at Punta del Este, Uruguay.

The Peace Corps was set up—the nucleus of what I believe will be substantial numbers of American young people working in many nations as representatives of all that is best in America.

There was legislation this year to extend the life of the Civil Rights Commission. There was substantial progress in other ways.

President Kennedy made it publicly clear that he thought the Supreme Court was right in 1954 when it outlawed racially segregated public schools as unconstitutional. In all the years that people tried, they could never get such a public declaration from former President Eisenhower. The moral force of the White House has been thrown for the first time behind implementation of the Court's decision.

The Department of Justice has been increasingly active in pushing voting rights cases in areas where the voting rights of some citizens seem to have been denied.

The Department of Justice moved to halt terrorism and rioting against the constitutional right of citizens to travel freely in interstate transportation and to travel without personal humiliation. The Kennedy administration summoned no paratroopers; it sent in U.S. marshals to uphold the civil processes of the law.

The administration moved also, and decisively, to spread job opportunities for citizens who are members of minority groups. The new Committee on Equal Employment Opportunity is moving to enforce Executive orders against race discrimination in hiring workers on work done under Government contract. An equal chance at a job, an equal chance to vote—these are the keys to progress for all human beings.

The 1st session of the 87th Congress was not able to complete action on all major programs. School aid and health care for the aged under the social security system were left for next year. Major tax revision was left for next year.

The record of work actually done, however, is long, and there is every prospect that from the groundwork laid in 1961 we can move to complete the program.

The World, a New Concept in Newspapers

EXTENSION OF REMARKS
OF

HON. THOMAS B. CURTIS

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 27, 1961

Mr. CURTIS of Missouri. Mr. Speaker, I would like to call to the attention of this distinguished body the issuance of a new compact national newspaper to be published in Washington and distributed nationally beginning October 12.

Publication of this paper marks the culmination of 5 years of planning and research by Willard W. Garvey, a businessman from Wichita, Kans., who is president of W. W. Communications, Inc., the corporate entity publishing the journal.

The World began because Mr. Garvey believes there is a need for a newspaper which will report the achievements of people in proper relationship to the activities of Government and bring to the fore the journalistically neglected private sector of our society.

Because its scope is different from that of any other publication, the World will not compete with existing newspapers and magazines, but will pioneer in an untried, challenging area of creative journalism.

Acknowledging the newsworthiness of Government news, which his paper will cover concisely and fairly, Mr. Garvey has asked his editors only to give fair treatment to the contributions to society by people acting through initiative and enterprise. He believes that this is how the United States began—through individual effort.

Editor Ralph de Toledano has stated that the World will make a special effort to report fairly and without bias the deliberations of the Congress.

I believe my colleagues will be interested in reading a reprint of the article which appeared in the August 26 issue of Editor and Publisher entitled "National Weekly Leans Toward 'Influentials'." With unanimous consent I include this reprint in the RECORD calling attention to the fact that the publication date given therein as September 7 has been moved up to October 12 since the appearance of this article:

NATIONAL WEEKLY LEANS TOWARD INFLUENTIALS

WASHINGTON.—The Washington World will be on the newsstands September 7.

It is disturbing to publisher Willard Garvey that his still aborning paper has already been labeled a voice for the conservatives. He and Editor Ralph de Toledano believe the World will be an unique publication based on an individual philosophy, and patterned on the principles of the London Economist and the Manchester Guardian.

"I don't like to come out with a lot of high sounding principles," Mr. Garvey says, "because when the paper comes out if it's been overrated we're dead."

However, he is convinced the people in this country have been conditioned to accept the negative approach.

"The news media are replete with man's inadequacies—his needs—his problems," he says. "What is needed is the positive slant where every item of news will increase mass self-sufficiency."

Emphasizing that he is not a crusader (I'm no Marshall Field) or an "againer," he says it is his aim to "create, seek out and make newsworthy private constructive achievement as opposed to the 90 percent of the news that now emanates from the Government."

Since it is also part of his philosophy never to start anything new where an existing group can do the job, Mr. Garvey does not see the World in competition with the dailies or the weekly news magazines.

It will be a weekly national newspaper trying for an audience of what the opinion researchers call "the influentials."

ON SLICK PAPER

Of tabloid size the paper will be printed on English finish stock (also used by the London Economist) and will sell for 15 cents a copy.

Mr. de Toledano, who admits to being a nonconformist conservative himself, says it will be the aim of the World to "do a job of reporting both sides." One feature will be columns on an important controversy written by two people with opposing views.

Another feature will be a grassroots page on which local stories in key cities will be summarized.

In addition to Mr. de Toledano, former associate editor for Newsweek, the roster includes associate editors Fred Theroux, formerly from the Sunday staff of the Washington Star, and Jack Purcell who was with the New York Daily News, Time and Hill & Knowlton, public relations agency.

Ben Podgor, formerly with the National Enquirer, will be business manager. Malcolm Kildale, New York and Washington freelance artist, will be art director, and Kathrine S. Smith from the Tri-City Sun, Shefield, Ala., is assistant to the editor.

Mr. Garvey was reluctant to discuss the amount of money to be put into the paper. He said he has had offers of backing but preferred to keep the venture private. However, he said he will not put unlimited funds into it. ("It discredits you to be economically unsound.") Ultimately, he said, the paper must be supported by subscription and advertising.

Although starting as a weekly—with a national rather than a local concept of news, the paper hopes eventually to become a daily. However, this, Mr. de Toledano says, is "in the realm of hope and dream rather than plan. The job we have set now is getting the paper off the ground."

Foreign Assistance Appropriation Act, 1962

SPEECH
OF
HON. JOHN V. LINDSAY
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Tuesday, September 26, 1961

Mr. LINDSAY. Mr. Speaker, the foreign aid appropriations bill which the conference committee has sent us contains one provision which merits especial note. I refer to section 108 which reads as follows:

SEC. 108. It is the sense of Congress that any attempt by foreign nations to create distinctions because of their race or religion among American citizens in the granting of personal or commercial access or any other rights otherwise available to United States citizens generally is repugnant to our principles; and in all negotiations between the United States and any foreign state arising as a result of funds appropriated under this title these principles shall be applied as the President may determine.

Members will recall that identical language was contained in the foreign aid appropriation legislation enacted last year and in 1959. Members will also recall that very similar language was contained in the House version of the authorization bill recently enacted but that this language was modified in conference in the interests of an abbreviated statement of policy.

Section 108 means what it says—this free Government of ours will not countenance distinctions made abroad between one American citizen and another for reasons of race or religion. The Congress intends that this policy be given full effect as was made clear in the brief discussion of this section at the time it was adopted by the House two weeks ago on September 5. It was made clear in the Senate where the committee report states, in part:

The committee urges the executive departments concerned to give force to the sense of the Congress as expressed in this section in the administration of the foreign assistance program to the extent feasible and by other appropriate means.

Our historic national tradition has made this policy clear—in 1885 when the United States refused to accept the protests of Austria-Hungary on the appointment of our ambassador to that kingdom because the designee's wife was of the Jewish faith; in 1911 when the United States abrogated the trade treaty with Czarist Russia which had been in effect since 1832 on the grounds of Russian mistreatment of American citizens of the Jewish faith; in 1924 when we protested to the Swiss on the exclusion of American Mormon missionaries; in our 1938 protests to Fascist Italy on the exclusion of American Jews; and in more recent years, during the previous administration, our inclusion of American Negroes as guests at U.S. Embassy receptions in apartheid South Africa—and without incident.

In effect, in section 108 of the bill before us the Congress has given voice to a tradition long established and with ample precedent in our dealings with foreign powers. Unfortunately, there are those charged with conducting aspects of our foreign affairs—which in these complex times is no longer confined to diplomatic chores but ranges afield to economics and to military policy—who think in terms of a doubtful popularity of the moment rather than principle and who overlook the policy set by both tradition and this Congress. But in forfeiting principle, we forfeit respect.

When we send Public Law 480 grains to the United Arab Republic and abide with that nation's dictation that the food cannot be shipped in U.S. bottoms owned or operated by Americans of the Jewish faith, we sacrifice principle and respect. When we stand by without firm protests and permit the Saudi Arabs to exclude Americans of the Jewish faith from even a few minute's use a commercial airport terminal facility built with U.S. taxpayer funds, we forfeit principle and respect. When a foreign power refuses to let one of our own colleagues, a Member of this body, visit installations built under this and similar legislation, and such a refusal produces only the weakest of reactions from our Department of State, we have traded our birthright of principle and respect for a mess of popularity porridge—and, as experience has sadly taught us, porridge with all the vitamins removed.

Contrast this if you will. The Kingdom of Morocco, a member of the Arab League, last week announced that a leading Moroccan Jew, R. Bennaroch, has been appointed to a high post in the Ministry of War. Other Moroccan Jews occupy other Moroccan posts of responsibility in the Sherifien Government. Yet our State Department quails at the sending of Americans of the Jewish faith to positions in Morocco or other Arab lands in the fear of offending and in the hope, one must assume, of winning their good will. Such appeasement may have won some momentary acknowledgment—but we have but to look at the record of recent months and years to see that it has purchased us nothing substantial in the way of friendship. Rather it has encouraged these countries to pull feathers from the eagle's tail.

Mr. Speaker, it is not my purpose to long detain this body by dwelling on the obvious. I merely wish to make known to the executive departments concerned that it was with serious intent that the Congress in its wisdom chose to include section 108 in the pending bill—and it is our intent that the policy it sets forth be given full force. In addition, I would suggest that when the executive departments submit the reports required by the foreign aid authorization bill that they make special reference to actions under section 108 of the pending bill and under section 102 of the authorization bill which contains language different in content but similar in spirit so that the Congress and the people may know that we hold firm to our principles and that we cherish not only the respect of our sister nations but also our own national self-respect. Such periodic reports are indeed very much to be desired and it is my intention at the proper time to make a formal request of the responsible department for their submission.

What Is the Circumnavigators Club?—By Circumnavigator Commander Wendell Phillips Dodge, Fellow, Royal Geographical Society

EXTENSION OF REMARKS
OF
HON. LESTER HOLTZMAN
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Wednesday, September 27, 1961

Mr. HOLTZMAN. Mr. Speaker, under leave to extend my remarks in the RECORD, I am including herewith an article, "What Is the Circumnavigators Club?" as there have been many queries concerning this unique organization.

Commander Dodge, who is one of the few men living today who circumnavigated the earth aboard a square-rigger, formerly was the editor of the circumnavigators log of the Circumnavigators Club, New York, including its 50th anniversary issue, Spring-Summer 1953. It contained a report of the testimonial dinner given in honor of General of the Army Douglas MacArthur, the club's honorary president. Also, this 100-page number had a lengthy and unusually illustrated article by Circum Editor Wendell Phillips Dodge, FRGS, "My Circumnavigation on a Square-Rigger." A large double-page illustration showed Cape Horn as few persons ever have viewed it, as this famous and virtually always terribly stormy cape rarely is visible to ships passing it.

This remarkable photograph was obtained on June 29, 1952, from a helicopter attached to the U.S.S. *Oriskany*, CV–34, being an official U.S. Navy photograph. Wonder of wonders in this part of the world, the atmosphere was clear.

Indeed, Commander Dodge "rounded the Horn" without ever seeing it, sailing by like the verse of the old "Clipper Ship" chanty:

They say she's bound to sail so fast
That a man on deck can't catch the mast!
And a porpoise trying to keep ahead,
Will get run over and killed stone dead.

The article follows:

WHAT IS THE CIRCUMNAVIGATORS CLUB?

A club designed to extend points of friendly contact among men who go to the ends of the earth by steamship, airplane, train, camel caravan, dhow, dugout, or even cruder means of travel, in the cause of commerce, research, exploration, big game hunting, military, naval, aviation, maritime, and governmental service; news reporting, or for the simple pleasure of travel—and good fellowship.

Thus did circumnavigator No. 1, the late Joseph D. Morrison, who boarded the River Styx ferry June 7, 1959, at the ripe old age of 90, express the thoughts and hopes of his cofounders, James H. Birch, Jr., and E. H. Patterson, during an Indian Ocean voyage together in 1902. It was then and there

that these American travelers "deliberately, and without malice," perpetrated the Circumnavigators Club, which was thereafter incorporated under the laws of the State of New York, with world headquarters in the city of New York—latitude 40°45'16" N., longitude 73°58'54" W., the earth, the cosmos. It, therefore, may be said to be the first—and only—club in the celestial sphere.

For this reason, more than any other, the Circumnavigators Club boasts no clubhouse—its dues are so microscopically modest as to be out of step with present-day dollar values—more in keeping with the current exchange of the celestial heavens; its membership widely scattered over the entire earth, precluding frequent intimate contact. Yet, many of the world's great have applied for membership in its magic circle and have felt themselves honored and privileged to add the word "Circumnavigator" to their names.

The Circumnavigators Club does not seek out members. It welcomes invited applicants possessing the necessary qualifications, the first of which is that the applicant must have made at least one complete circumnavigation of the earth in one direction, east to west, or west to east, but it does not have to be continuous at one time. An applicant may not break up a full east to west or west to east circumnavigation by turning around, however. He may return to where he left off and then continue to make the complete circumnavigation in one direction.

Among notable Circumnavigators Club members may be mentioned Circumnavigator President of the United States, and Chief Justice of the U.S. Supreme Court, William Howard Taft. Volume 1, No. 1, of the log of the Circumnavigators Club had this to say about this most genial soul: "From any point of view, the most important circumnavigator is William Howard Taft. Weighing something over 300 pounds, he is unquestionably more of a circumnavigator than any other member. Also, he has more of the even curves of a sphere about his person than any competitor, however ambitious."

All meetings, luncheons, and dinners of the Circumnavigators Club are brought to order by the rapping of a whale's tooth gavel, gift of another famous Circumnavigator member, the Honorable William Jennings Bryan, who ran for President of the United States more often than any other political aspirant, and whose celebrated "cross of gold" speech in his first campaign raised him to the very forefront of the world's great orators of all time.

A letter, dated April 28, 1910, to the club reads: "I am sending you by express the whale's tooth which I promised the Circumnavigators Club. The fact that it is a tooth makes it appropriate for your club, not that the club shows its teeth frequently, but because it seems to enjoy good eating, if I could judge from my experience at the dinner which it gave to me. But the tooth is appropriate for another reason; namely, it is the tooth of a whale, and a whale is not only the king of the ocean, but is a great traveler.

"It is a circumnavigator of the first order, and I am sure that the whale from whose jaw this tooth came would feel honored if he knew that this little part of his anatomy would find an honored tomb among the treasures of the Circumnavigators Club.

"W. J. BRYAN."

To mention but a very few, as space does not permit a parade of more circumnavigators of the past: America's celebrated bandleader and march king, Circumnavigator Comdr. John Philip Sousa, not overlooking his famous beard; the only American general with the rank and title of "Commander of the Armies," Circumnavigator Gen. John J. Pershing; Circumnavigator Col. William F. Cody, the famous Buffalo Bill; Circumnavigator Harry Lauder, and Circumnavigator Harry Houdini. And yet another ex President of the United States, the Honorable Herbert Hoover, whom we delight to have with us right now.

Currently president of the Circumnavigators Club is Circumnavigator Richard G. Coffin, of the Socony Oil Co., 150 East 42d Street, New York, N.Y.

Two Timely, Pertinent Editorials Appearing in the Los Angeles (Calif.) Examiner

EXTENSION OF REMARKS
OF
HON. CLYDE DOYLE
OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 27, 1961

Mr. DOYLE. Mr. Speaker, here is an article which appeared in the Los Angeles Examiner, Saturday, September 23, 1961, on the editorial page thereof. This article is written by the distinguished columnist, Mr. Jack Lotto. Note therein that in paragraph 7 the House Un-American Activities Committee is mentioned.

Mr. Speaker, in my humble judgment, but again with my vigorous commitment and expression of belief, this is no time whatsoever, either directly or indirectly, for any citizen who claims to be patriotic to the best interests of our beloved Nation in security matters, to in any manner do anything which actually weakens—or even tends to weaken the security of our beloved Nation against subversive infiltrators or the domination of any person or group of persons who are known to be actual members of the Communist Party in the United States, or who are known to be actual Communist dupes or fronts:

RED SCARE DRIVE PREDICTS MASS ARREST OF U.S. CITIZENS

(By Jack Lotto)

The Communists are raising the specter of concentration camps in the United States.

The scare campaign is part of a program to frighten the unthinking into backing the Reds on destruction of U.S. security laws.

In trying to unite public opposition to the Supreme Court upheld McCarran Act, the Reds built scary pictures of Hitler era prisons being prepared for Americans.

The bogeyman theme was laid down by Elizabeth Gurley Flynn, national chairman of the Communist Party, in the party's limited-circulation magazine, "Political Affairs."

The party is desperately fighting to stave off execution of an order to list its members with the Government and label its propaganda as Communist material.

DISTORTION

According to Mrs. Flynn the Reds are to spread the fiction that all who oppose war, all who advocate peace, disarmament, coexistence, can, upon the judgment of the Attorney General, be shunted off to concentration camps, along with Communists, fighters for Negro rights, labors' rights, etc.

"A military involvement in any area of several spots where a so-called crisis exists, and hundreds of Americans are listed as subversive by the FBI, the House Un-American Activities Committee, the Birchites, and what have you, could find themselves in a concentration camp.

"Let it be known far and wide to the American people what the end of the trail is for Americans under the McCarran Act," Mrs. Flynn wrote.

The outward Communist concern for American freedom would be laughable if it wasn't so tragic. The local Reds are part of a global conspiracy to destroy freedom and represent the world's worst tyranny.

LIMITED USE

The detention camp law has long been on the books. What is important to know is that the clause goes into effect only in the event of the invasion of the United States, or a formal declaration of war, or insurrection within the United States.

It would affect only those persons suspected on "reasonable grounds" by the Attorney General as being likely to engage in sabotage or espionage on behalf of a foreign power.

This section of the law is certainly no threat to the general public, but only to those who would attack from within to aid foreign forces.

Despite this fact, the Reds are told by their national chairman—

"When it (detention clause) becomes fully known, I am confident there will be such universal indignation and repudiation of this disgraceful act, as will sweep it into oblivion. Victory is possible."

SMOKESCREEN

Actually, the attack on the detention clause is a smokescreen for the Reds to wipe out the Internal Security Act of 1950 and the Smith Act.

Mrs. Flynn claimed that the Communists, by fighting to nullify the security laws by every possible means, are spearheading the struggle and holding the dikes against "possible future victims."

Another strong objection of the Reds—once they register under terms of the existing law—they are forbidden to work for the Government or in defense plants.

The false Red complaint, as voiced by the Red chairman—

"One of the first acts of the Nazis was to deprive the Jewish people of the right to earn a living. The McCarran Act does the same thing to Communists and others."

FEAR SPREADERS

The comrades were instructed to try to line up "millions" on the single issue of ending the McCarran Act and similar laws.

Among the organizations they were told to contact for support were the AFL-CIO, American Civil Liberties Union, American Jewish Congress, Railroad Brotherhoods, Americans for Democratic Action, National Association for the Advancement of Colored People, National Lawyer's Guild, and independent unions.

Mr. Speaker, in presenting the following text of another editorial appearing in the Los Angeles Examiner for Friday, September 22, 1961, I expressly call attention to the following language which is quoted from a statement by FBI Director John Edgar Hoover: "There is probably no significant section of the American public—regardless of age, race, social standing, occupation or political orientation—whose interests have not coincided, on occasion, with one or more of the Communists' immediate demands." Mr. Speaker, I do this because it increasingly appears to me that there are some very prominent American citizens who seem to be ready and quite willing to publicly charge other American citizens who disagree with them on matters of race, creed, social standing, occupation or political orientation as being Socialists, and they make this charge because, as Mr. Hoover says, the Communist Party happens to take substantially the same position on the same sub-

ject with which the disagreeing American citizen takes issue.

Mr. Speaker, I am sure you and many other Members of this great legislative body, of which I have now been a Member almost 15 years, have heard me frequently say that I believe any patriotic American citizen should be entitled to pray the way he wishes, to write the way he wishes, to speak the way he wishes, and to print whatever he wishes. But, Mr. Speaker, I have limited these freedoms of worship, speech, and press to the legal limits set by established law. This means, in my humble judgment, that they must be law-abiding citizens.

The referred-to article follows:

J. EDGAR HOOVER WARNS OF BLIND ATTACKS ON REDS

WASHINGTON.—FBI Director J. Edgar Hoover warned Americans Thursday against being "merely against communism without being for any positive meansures" to improve conditions which the Communists attack.

"The danger of indiscriminately alleging that someone is a Communist merely because his views on a particular issue happen to parallel the official (Communist) party line is obvious," he said.

"The confusion which is thereby created helps the Communists by diffusing the forces of their proponents."

Such persons, Hoover said, "would do well to recall a recent lesson from history. Both Hitler and Mussolini were against communism. However, it was by what they stood for, not against, that history has judged them."

Hoover's views were expressed in a document entitled "The Communist Party Line" he prepared at the request of the Senate Internal Security Subcommittee. Making it public, Chairman JAMES O. EASTLAND, Democrat, of Mississippi, termed it "the wisest and most penetrating treatment of the 'party line' that I have ever read."

Hoover said a chief tactic of the Communist Party line is the use of immediate demands which often coincide with the desires of many loyal, respectable citizens.

"There is probably no significant section of the American public—regardless of age, race, social standing, occupation, or political orientation—whose interests have not coincided, on occasion, with one or more of the Communists' immediate demands," Hoover said.

The FBI Chief said, "the Communist Party line, which promises all things to all men is skillfully designed to appeal to people from every walk of life and, at the same time, to confuse the public by blending proposals ostensibly sponsored by the Communists with those of legitimate organizations."

However, he said, the uninformed citizen is often misled.

"He may accept the party line at its face value," Hoover said, "or he may make the equally dangerous assumption that anyone who advocates proposals similar to those which make up the party line is automatically a Communist."

Internal Threat From the Right

EXTENSION OF REMARKS
OF
HON. MORRIS K. UDALL
OF ARIZONA
IN THE HOUSE OF REPRESENTATIVES
Wednesday, September 27, 1961

Mr. MORRIS K. UDALL. Mr. Speaker, Platt Cline, editor of the Arizona Daily Sun of Flagstaff, Ariz., in my district, is one of the most sound and respected commentators of Arizona and national affairs. Under general leave granted Members, I enclose the following from his "News and Views" column of September 20, 1961:

RADICAL RIGHTWINGERS

Robert Welch, founder of the radical rightwing John Birch Society, this week described democracy as "mob rule" and "the worst form of government there is."

He made his statements at the seventh annual Constitution Day Convention in Chicago.

Perhaps he favors a dictatorship with himself at the head of it. Or, if he favors rule by a special group, the big problem is, Who decided who belongs to the group? Robert Welch? Jimmy Hoffa? Herbert Hoover? Harry Truman?

Welch's clear statement of his opposition to our form of government is evidence that the greatest internal threat we have in the United States are the rightwing radicals such as the Birch Society gang, not the Commies, of whom we have probably less than 25,000 in the whole country.

Take your pick: Would you rather have Mussolini-Hitler-Franco or Khrushchev? That's about what it boils down to if you want to go in for the radical extremes of the political spectrum.

The Birchites are to date largely a bunch of more or less well-intentioned crackpots. But they could become a destructive force of major proportions.

Democracy may be "mob rule," as Welch says. And it may be the most costly, inefficient and clumsy form of government known. But it's still the best.

A Great Message

EXTENSION OF REMARKS
OF
HON. CORNELIUS E. GALLAGHER
OF NEW JERSEY
IN THE HOUSE OF REPRESENTATIVES
Wednesday, September 27, 1961

Mr. GALLAGHER. Mr. Speaker, many words of praise have been written about the magnificent speech the President delivered before the United Nations. The President spoke with courage and frankness. He chartered the course toward a just and lasting world peace for all nations to follow, marking clearly all of the hazards which must be eliminated before peace can be secured. His words should give renewed hope and inspiration to all men. It may well be recorded in history as the equal of his inaugural address.

I would like to include as part of my remarks the wonderfully expressed editorial from the Jersey Journal of Tuesday, September 26, which I feel is the reaction of most thinking people:

A GREAT MESSAGE

President Kennedy's address to the United Nations Assembly could prove to be one of the decisive statements of our time. It can be so because it was, on the highest level, a campaign speech seeking votes—votes to keep the world sane.

It was addressed to the young voters in the United Nations, the new nations. It went particularly to those which have risen proudly to independence so recently in Africa. It made clear their stake in the struggle to control the U.N., how they would lose if the Soviet Union has its way in watering down the authority of the U.N.

The President's other themes: Disarmament; cessation of nuclear testing; the release of captive peoples everywhere, including the millions within the Soviet stockade; the sharp criticism of Soviet weaknesses, including their need to fence in their own people; all of these can be realized only if the U.N. holds together in the manner its founders intended. Should the U.N. collapse, then the other goals will become almost impossible.

And so the speech can be a world turning point because it was a candid appeal for world support. Its whole strength is that it relies upon man's willingness to stand up for man's dignity.

If we are wrong on that, then there is not much hope for the world anyway.

Goals of the New Frontier—Health and Welfare

EXTENSION OF REMARKS
OF
HON. GEORGE M. RHODES
OF PENNSYLVANIA
IN THE HOUSE OF REPRESENTATIVES
Wednesday, September 27, 1961

Mr. RHODES of Pennsylvania. Mr. Speaker, today our Nation is in a violent struggle for the minds and hearts of men. Newly independent, and in most cases, underdeveloped, nations of the world are looking at both the United States and the Soviet Union as a means of finding their blueprint for the future.

The problems which these nations face are formidable. Whether or not their problems will be met in an atmosphere of freedom on totalitarian tyranny, will depend to a large extent on how we in America care for our own social and economic needs. If we as a nation can provide a greater amount of social justice within our free society, than the Soviets with their ruthlessness, there can be no doubt as to what path the newborn nations will take toward national self-realization.

One of the greatest challenges which faces our free society, and every other society, is that of providing an adequate program of health services and benefits for all our people regardless of their financial position.

The health of any nation is the key to its own future. It is an extremely important factor in determining its economic vitality, the morale and efficiency of its citizens, and success in achieving its national goals.

OUR HEALTH NEEDS

Here in America much has been done to provide a healthful life for our people. Yet, much remains to be done. Although we are now spending more than $25 billion a year for health services, there are major deficiencies in the quality and distribution of these services.

All too often our new medicines and new methods opening the way to a fuller and more useful life, are beyond the reach of those who need them most. Financial inability, inadequate community resources, and shortages of trained

personnel prevent too many people from reaping the benefits of medical knowledge.

As President Kennedy said in one of his important campaign statements:

In no area is progress more vitally needed than in the area of health. We must provide Federal grants for the construction, expansion, and modernization of medical schools, dental schools, and schools of public health. We must provide loans and scholarships for medical students. We must provide grants for renovating our older hospitals. We must provide long-term grants for increased medical research, including basic research. We must expand our efforts for rehabilitation.

THE PRESIDENT'S PROPOSALS

To fulfill this important campaign pledge, President Kennedy sent a special message to Congress on health and hospital care on February 9 of this year.

In addition to the President's proposal for medical care for the aged through the social security program, this message outlined bold and progressive programs in the fields of health personnel, medical research, care of our youth, vocational rehabilitation, and community health facilities.

HEALTH PERSONNEL

To help alleviate the critical shortage of doctors throughout the Nation the President proposed a 10-year program to expand training facilities in medical and dental schools through construction grants and a program of 4-year medical scholarships. The need for more physicians throughout the Nation is pressing. Merely to maintain the presently inadequate physician-population ratio of 133 physicians per 100,000 population, 3,600 more medical students must be graduated annually than were graduated in 1959. Unfortunately, Congress has failed to act on this important legislation. It remains as unfinished business for the next session which convenes in January.

MEDICAL RESEARCH

In the area of medical research there is also much to be done, Mr. Speaker. A recent survey made by the U.S. Public Health Service concluded that tremendous unnecessary loss of life, health, and money has resulted from the failure to use new research findings. At that time the Public Health Service determined that 40,000 yearly deaths from cancer could be eliminated; that 40 million children do not have protection from tooth decay afforded by fluoridated water; that 20,000 persons die yearly from preventable rheumatic fever attacks and rheumatic heart diseases, that 60,000 new cases of tuberculosis occur every year although there are well-known ways to prevent its spread; and finally, that 17 million persons have chronic disability and a high proportion fail to receive care that would reduce handicapping effects.

These facts clearly indicate that we have fallen down in the past in providing adequate protection for our people. To begin progress again President Kennedy proposed increases in the annual Federal grants for health research facility construction, now authorized under the Public Health Service Act, from $30 to $50 million. Here again an important proposal was put off in this session of Congress because of other urgent economic and defense needs.

In his message, the President pointed out the need for increased attention to the health of our children. Since 1950 our Nation has slipped from 6th to 10th place among the advanced nations of the world in the saving of infant lives. Each year some 400,000 babies are born with congenital malformations, and untold numbers begin life mentally retarded, afflicted by cerebral palsy, or suffering from other serious conditions which require prompt and effective care and additional research.

CHILD HEALTH

In this important area of national concern President Kennedy proposed the establishment within the National Institutes of Health, a National Institute of Child Health and Development which would include a Center for Research in Child Health as well as other broad ranging health research activities not now covered by the specialized work of the existing institutes. He also asked for increased appropriations for existing Children's Bureau programs covering child health and welfare, and asked the Secretary of Health, Education, and Welfare to study and report on the adequacy of existing school health programs.

COMMUNITY HEALTH SERVICES

Let it not be thought, however, that this Congress did nothing in the field of public health. It did enact one very important bill, the Community Health Services and Facilities Act of 1961.

The purpose of this measure is to improve community health services and facilities for our aged people and for the chronically ill, and for research in seeking the causes and cure of crippling diseases. It provides matching funds for improved nursing home programs, home health care plans, and outpatient diagnostic services. This bill also authorizes increased funds for the construction of public and nonprofit nursing homes.

The need for this legislation was pressing. With the lengthening of our life span in America the problems of chronic illness have increased. More than half of the 17 million persons over 65 years of age, excluding those in institutions, have some kind of chronic health problem that interferes with their daily living according to data collected by the National Health Survey of the Public Health Service. The survey also shows that chronic illness is not peculiar to the elderly. It also effects the middle-aged, the young adults, and children as well.

Public health personnel and others in the field of health are faced with the problem of most effectively and most economically ministering to the health needs of those afflicted with chronic illnesses. They point out time and time again that many of these people could be adequately cared for in nursing homes or in their own homes under adequate programs. The purpose of the bill which Congress enacted is to aid the State governments in making such nursing homes and programs available.

THE TASK AHEAD

As I have indicated, there is much to be done to provide our people with a better opportunity for a more healthful life. I feel that Congress has taken a great step forward in passing the President's Community Health Services and Facilities Act of 1961. Yet much remains to be done. There still remains the medical care to the aged program, and proposals for increased health personnel, medical research, child health, and vocational rehabilitation. The President has shown what must be done, Mr. Speaker, now it is up to Congress to act on his proposals.

Foreign Competition

EXTENSION OF REMARKS
OF
HON. JOHN H. DENT
OF PENNSYLVANIA
IN THE HOUSE OF REPRESENTATIVES
Wednesday, September 27, 1961

Mr. DENT. Mr. Speaker, mindful of the heavy obligations we in Congress will shoulder next year—a key year in the life of the State Department's reciprocal trade program—I earnestly urge every Member of this body who cherishes the basic interests of his constituents in industry, agriculture and labor to examine carefully the following document and note well its contents:

THE RECIPROCAL TRADE PROGRAM

(A brief review by O. R. Strackbein, Chairman, the Nation-wide Committee on Import-Export Policy)

The first Trade Agreements Act was passed in June 1934, for a 3-year period.

TARIFFMAKING BY CONGRESS

This act marked a sharp break from the historic method of tariffmaking of the preceding 145 years. The Congress itself had written all previous tariff legislation and with minor exceptions had determined the individual tariff rates. This process became exceedingly demanding of the Congressional Committees concerned, i.e., the House Ways and Means Committee and the Senate Finance Committee. The tariff structure had become complex and tariffmaking had become a highly technical process.

Tariffmaking by Congress itself had come under attack, moreover, because it lent itself to log rolling. A demand for a "scientific" tariff was widely expressed and this resulted in the creation, first of a Tariff Board in 1909 and later a Tariff Commission, in 1916.

CREATION OF TARIFF COMMISSION

The purpose in setting up a Tariff Commission was at first to provide an advisory body for legislative guidance and later to take from the shoulders of Congress the process of tariff rate adjustment itself. The Tariff Commission was therefore a creature of Congress, established to do detailed and technical work for the Congress. However, the executive branch was invited by Congress in the legislation creating the Commission to a share of the tariffmaking power vested in Congress by the Constitution by giving to the President the authority to appoint the members of the Tariff Commission, which were six in number, equally divided between the two political parties.

The tariffmaking power of the Commission was not started until 1922 when the Fordney-McCumber Act for the first time authorized the Commission to make comparative cost-of-production studies in this country and abroad for the purpose of as-

certaining the cost of articles in domestic industries and in competing industries in other countries. The President, upon a finding of the Commission, could then increase or reduce existing rates by as much as 50 percent.

This limited tariffmaking power was continued in the Hawley-Smoot tariff of 1930 (the last tariff written by Congress itself) and the Tariff Commission continued on a limited scale to make findings on relative foreign and domestic costs of production of particular articles. The cost-of-production formula from 1922 to 1934 led to 69 completed investigations of which 15 led to tariff increases and 18 reductions. In 32 cases the rates were left undisturbed. Four cases were otherwise disposed of.

TRADE AGREEMENTS ACT

When the Trade Agreements Act was passed in 1934 this approach to tariff adjustment was virtually discontinued. A provision in the act prohibited the application of the cost-of-production approach to any item that was the subject of a trade agreement concession. Today this means that some 95 percent of the tariff items are excluded from this type of tariff adjustment.

In place of this system which was regarded as too cumbersome the 1934 act provided that the President might enter into foreign trade agreements and reduce or raise existing rates up to 50 percent regardless of cost-of-production differences. The 50 percent limitation was the same as under the preceding tariff acts; but the President was substituted for the Tariff Commission as the prime mover in the premises; and the avowed purpose was to reduce tariffs and not to raise them.

In 1945 a new extension of the act authorized the President to reduce all existing rates another 50 percent. In some instances, i.e., in those cases in which the tariff had already been cut 50 percent, this made possible a total reduction of 75 percent.

Unlike some other countries, we made no provision for compensating for rising prices in those cases in which we have a specific duty. This is a duty expressed, not in a percentage of value (known as an ad valorem duty) but in terms of a specified number of cents or dollars per unit of measurement, such as yards, square feet, pounds, tons, or individual articles. If the rate was 10 cents per yard and the price per yard was $1, the tariff was equivalent to 10 percent ad valorem. If the price rose to $1.50 the protective rate fell to 7½ percent; while a rise in price to $2 reduced the rate to an equivalent of 5 percent ad valorem. We have a considerable number of specific rates.

Therefore the rise in prices since 1934 has produced a tariff-reducing effect quite aside from actual tariff cuts.

GENERAL AGREEMENTS ON TARIFFS AND TRADE (GATT)

From 1934 to 1947 we negotiated only bilateral trade agreements, i.e., agreements with individual countries; and completed about 28 of them. In 1947 we negotiated in Geneva with 22 countries and on October 30 of that year signed the General Agreement on Tariffs and Trade, usually known as GATT. This went into effect January 1, 1948.

Subsequently we took part in three additional multilateral conferences for tariff reductions: Annecy, France 1949; Torquay, England 1951; and Geneva 1955. In 1960 we went into a conference in Geneva, devoted to the Common Market of Europe and in 1961 we are engaged in carrying out further tariff reductions.

Beyond the 1945 act which added the second 50-percent-tariff-reducing authority, the act of 1955 empowered the President to reduce tariffs another 15 percent and the Extension Act of 1958 added another 20 percent. The latter authority was not exercised until 1961.

Today GATT has 39 full-fledged members and several limited memberships, including that of Japan.

DRASTIC REDUCTION IN OUR TARIFF

Under the trade agreements program the protective effect of our tariff has been reduced a full 80 percent. A part of this reduction came from the effect of price increases on specific duty rates, as explained above.

The average rate of duty on dutiable items when the Trade Agreements Act began was slightly over 50 percent. Today it is not much over 10 percent.

POWERS OF CONGRESS IMPAIRED

Under the Trade Agreements Act the President is authorized to bind items on the free list. This is an obligation not to put a tariff on these items. A considerable number of items have been so bound.

He is also authorized to bind items at existing rates. This is a promise not to raise rates. Many items have been so bound in the various trade agreements.

These bindings have been questioned as tying the hands of Congress by foreign executive agreement. Should any future Congress wish to impose a tariff on an item bound on the free list or to raise one that had been bound against an increase it could do so only by violating our international commitment.

Such a roadblock against free action by Congress has been condemned as the exercise of unconstitutional power by the executive branch; but no corrective action has been taken. The Congressional authorization to the President to make such bindings came at a time of economic distress, i.e., during the Great Depression; but it represented a long-range type of commitment that goes beyond any one Congress, i.e., it extended into Congresses not yet elected the will of a particular Congress (i.e., Congress of 1934) and thus reduced by that much the meaning of biennial elections.

RENUNCIATION OF IMPORT QUOTAS

The General Agreement on Tariffs and Trade (GATT) contains a similar binding of the Congress with respect to the imposition of import quotas. Our Department of State was instrumental in having the contracting parties of the general agreement (22 in number at the outset, now 39) adopt a provision binding upon the members not to institute or maintain import quotas. While several exceptions were written into the general renunciation of such quotas, these exceptions were transitory, so that in time we would face a quotaless flow of trade among the nations.

Since import quotas are an instrument used in the regulation of foreign commerce and inasmuch as our Constitution places the responsibility for the regulation of foreign commerce upon Congress, the State Department was treading on very dubious constitutional ground when it committed this country in a foreign executive agreement not to use this instrument. The Department thereby seemingly and possibly effectively set itself above Congress and the Constitution at the same time.

While Congress is not bound by an executive agreement, the power of Congress to act freely is impaired by the consideration that an international commitment would be violated if Congress acted contrary to the antiquota provision of GATT. Therefore the action of the State Department represents a critical encroachment on the power of Congress.

FAILURE OF TARIFF AND NEED FOR QUOTAS (IN CERTAIN INSTANCES)

Among our imports are many products that come from a variety of foreign sources. Chinaware, for example, is imported not only from England, Germany, and other European countries, but also from Japan. The same diversity of sources is true of various items of textiles, steel, glassware, optical goods, cameras, toys, and numerous other products.

A tariff that would be suitable with respect to imports from European countries would in most cases be wholly inadequate with respect to imports that come from Japan and other low-cost countries.

On the other hand, if the tariff were tailored to fit the low-cost countries it would be too high with respect to European counties. It would in fact exclude them from this market.

It is under situations of this kind in particular that import quotas represent a more suitable method of controlling imports than does the tariff. This follows from the fact that each tariff rate applies alike to all countries (under the most-favored-nation clause) other than the Communist controlled ones. Under the Trade Agreements Act of 1951 the latter must pay the unreduced rates of the Tariff Act of 1930.

The antiquota provision of GATT therefore is regarded by many who face the import problem as a most unfortunate and unjustified interference by the State Department with the legislative and regulatory functions of Congress.

FURTHER ENCROACHMENT ON CONGRESSIONAL AUTHORITY

The encroachment of the executive branch on the congressional authority to regulate foreign commerce has, in the eyes of many of the adversely affected parties, extended far beyond the impairment of the power of Congress to impose import quotas and to change tariff rates without upsetting international commitments.

It extends also to the remedy against the serious injury that may be incurred by an industry through a tariff reduction.

THE ESCAPE CLAUSE

In 1951 an escape clause of its own was adopted by Congress in the Trade Agreements Extension Act of that year. This clause laid down criteria of injury and added import quotas as a possible remedy for import injury.

The reply made by officials and their supporters to the numerous complainants against the administration of the Trade Agreements Act has been and still is, first, that great care is taken before a trade agreement is made to make sure that no duty will be reduced below the so-called peril point or the tariff level below which serious injury would occur. Studies are made preparatory to trade agreement negotiations and public hearings are held, giving interested parties an opportunity to be heard, it is asserted. In recent years, moreover, the Tariff Commission itself has been directed by law to make peril point findings before entry into any trade agreement.

Secondly, it is further asserted, that if our negotiators do make mistakes and cut a duty too deeply or if unforeseen developments lead to a flood of imports, there is the escape clause. It is ready for use by any industry that finds itself in serious difficulties from rising imports. In other words, there is a remedy after a trade agreement is made.

FAILURE OF TRADE AGREEMENTS ADMINISTRATION TO FULFILL EXECUTIVE ASSURANCES

This double-headed answer to complainants suffers from three fatal defects.

1. Finding of a peril point is a speculative venture by six mortals of the Tariff Commission who, as all other mortals, lack omniscience. They are expected to determine what will be the effect on imports of a given item if the tariff is reduced a given amount. Since they do not know what the effect of the existing tariff is, because there is no way of measuring the effect, they cannot possibly know what would be the effect if it were reduced 10, 20, 35, or 50 percent.

Bitter complaints have been heard over the extremely short time allowed for the

peril point findings. In 1960 upward of 2,000 items were processed in a matter of 2 months of hearings. The complaint, while seemingly justified, may be regarded as beside the point because the peril point could not be found ahead of an actual tariff reduction regardless of the amount of time spent on futile inquiry.

The preparation for a tariff-reduction undertaking must at best be a great game of guesswork and the weighing of possible political repercussions if the tariff on such and such item is reduced. This preparation, aside from the finding of the peril point by the Tariff Commission, is in the hands of the Trade Agreements Committee, composed of representatives of seven or eight executive departments and the Tariff Commission. They sit under the name of the Committee for Reciprocity Information (CRI) as a hearings board and conduct hearings on the same items on the same day as the Tariff Commission. They are not concerned with the peril point but may advise the President to disregard it, which he may do. He has but to write a letter to two congressional committees stating his reasons for so doing. The CRI presumably furnishes him with the reasons.

The hearings before the CRI are as hasty as they are before the Tariff Commission. A half day may be given to a group of items.

The "great precautions" taken in preparation of a trade agreement are in fact no more than hit-and-run inquiries that satisfy neither the principles of sound inquiry nor the witnesses who are heard. The extremely hasty methods followed are in sharp contrast to the deliberations under the escape clause procedure, which represents action to remedy the errors of tariff-reductions.

2. The law requires that before a duty is reduced in a trade agreement the President must find "as a fact" that the existing duty on any given product is unduly burdensome and restrictive of trade. Either no such findings have yet been made or they are kept a secret. The Committee for Reciprocity Information has steadfastly refused to expose any such findings.

That such findings are not made would seem to follow from the fact that the Presidential list that is prepared for negotiation with other countries and which is submitted for peril point findings to the Tariff Commission has contained numerous products whereof the importation in recent years had doubled or increased even more sharply. Under such circumstances a finding that existing duties are unduly burdensome and restrictive of trade would be very difficult indeed.

Since the Tariff Commission is asked to find the peril point on such items it follows that in the judgment of the White House a duty could still properly be reduced even if imports paying the existing rate had increased several-fold.

3. The final answer made to complainants is that even if errors are committed by the negotiators at Geneva and tariffs are cut too deeply, the domestic industry is backstopped by a sure remedy under the escape clause.

The domestic industries that have brought cases under this clause, with few exceptions, regard these assurances as the most cynical of all.

THE RECORD UNDER THE ESCAPE CLAUSE

The record speaks for itself. It shows a 10 percent effectiveness.

For a considerable period after 1947 the Commission, as it was then constituted, rejected one industry application after another. Later, under a different group of Commissioners appointed by a different President, a considerable proportion of the cases resulted in findings of injury by the Commission and recommendations for a higher tariff or an import quota to the President.

For a period of 27 months beginning in January 1959, under a new Chairman and one new member, marking a new departure, the Commission processed 25 cases and made a recommendation to the President in only 2 cases. A number of the findings were 4–2 decisions. This meant that only two cases or one-twelfth of the total gained approval of the Commission in over 2 years' time.

The composite record under the escape clause from 1948 to early 1961 was as follows:

Cases completed by the Tariff Commission	113
Applications dismissed by the Commission	14
Cases in which no injury was found	50
Cases in which serious injury was found	28
Cases in which Commission divided equally	7
Total	99

Fourteen other cases were either terminated without a formal inquiry or were withdrawn; 35 cases of the 113 went to the President, 7 of them under equally split decisions.

The President took positive action in 13 cases; but later dropped 2 of them, thus leaving only 11 in effect. These are largely on products of minor commercial status with two or three exceptions; namely, lead and zinc, bicycles and watches. The others are safety pins, dried figs, clinical thermometers, linen toweling, spring clothespins, etc.

STATE DEPARTMENT DOMINATION OF THE SCENE

Principally this hollow record may be attributed to the domination of the scene by the State Department and the President, to the virtual exclusion of Congress. Considerations of international relations have pushed consideration for domestic producers to one side. Presidential appointment of members of the Tariff Commission, including the designation of the Chairman, has virtually assured the implementation of executive policy rather than that of Congress.

Since both the President and the State Department are heavily engaged in the conduct of foreign affairs and since the fortunes of domestic producers have been delivered into their hands, it is not surprising that the pleas from these domestic sources fall on remarkably deaf or foreign-policy-attuned ears. Their interests are left virtually without counsel at the bar. Members of Congress, who are in the one branch of the Government that is responsive to the people back home, are no longer able to respond to, support or defend their constituents even though the Constitution provides that they, the legislators, and not the executive branch should regulate our foreign commerce.

EMIGRATION OF INDUSTRY

The upshot is that now that imports have succeeded in penetrating our market in unprecedented fashion, driving domestic manufacturers before them, these find themselves denuded of defenses and therefore at the mercy of imports. They have tried the remedies provided by law and have found them empty. In self-defense many of them have sought and continue to seek escape, no longer through the escape clause, which they have found wanting, but by investing in foreign countries.

These unsatisfactory conditions cry out for a remedy.

It would be far better to forget the preparatory cautions prior to negotiation of a trade agreement as these have been carried out. The peril point findings provide a spurious assurance against reckless tariff-cutting while the CRI hearings must have been highly hypocritical, considering how far out tariff has been dismantled. With all the caution our tariff has been reduced, one way or another, by 80 percent. Evidently this took a lot of study and caution. A meat ax would have served as well and would have deceived fewer people.

The need today is for a proper remedy, available and applicable when it is needed. The test of a tariff reduction comes to light in the results rather than in the process of preparation for the reduction.

The United States and all other members of GATT reserve the right in making a trade agreement to remedy injury by restoring the tariff part way or all the way back to its previous level. This question should then be nothing more than one of fact; and it is the function of the Tariff Commission to make this finding. The rest should be automatic and could not support either resentment or retaliation by other countries. They have the same right as we and they put on or take off restrictions at will and with impunity—with one difference: they do not bother with so cumbersome a process as our escape clause. Moreover, we have compensated other countries in those few instances of tariff increases as a result of escape clause actions, by reducing the tariff on other items. Thus there can be no grounds for retaliation.

Hon. Overton Brooks

SPEECH
OF
HON. LESLIE C. ARENDS
OF ILLINOIS
IN THE HOUSE OF REPRESENTATIVES
Saturday, September 16, 1961

Mr. ARENDS. Mr. Speaker, another of our colleagues has been called to eternal rest. The untimely passing of OVERTON BROOKS is a shock to all of us. I served with him on the Committee on Armed Services and for a time his office was on the same corridor as mine in the New House Office Building. I passed it daily. And I sometimes wondered if his office was ever closed. Even on Sundays he would invariably be at his office.

He was a tireless worker who loved his work. I do not believe anyone could be more conscientious. If anything, he was too conscientious. He asked more of himself than could possibly be expected of any man. It is typical of him that he did not allow himself sufficient time to fully recover from an operation, with the result that he had to be readmitted to the hospital and a few days later passed on to eternity.

OVERTON gave his life in his conscientious effort to serve his people of Louisiana and his country. As chairman of the important Committee on Science and Astronautics, he carried more than an ordinary burden. He had the innumerable and truly perplexing problems that one faces in organizing a new committee and of a committee which would have jurisdiction over a subject only in the embryonic stages. OVERTON BROOKS served as a pioneer and his dedication to his work resulted in the many things that have been accomplished by this new standing committee of the House.

No job was too big for OVERTON. Nor could he be assigned too many jobs. The bigger the job, the more duties and responsibilities he had, the better he liked

it. He sought always to serve. And he served well. He served well on the Committee on Armed Services, but he saw an opportunity for larger service when he took over the chairmanship of the Committee on Science and Astronautics.

With the passing of OVERTON BROOKS we have lost an invaluable colleague, and I have lost a personal friend. I extend my sincerest sympathy to his wife and family. I share their loss.

Goals of the New Frontier: U.S. Arms Control and Disarmament Agency

EXTENSION OF REMARKS
OF
HON. ROBERT W. KASTENMEIER
OF WISCONSIN
IN THE HOUSE OF REPRESENTATIVES
Wednesday, September 27, 1961

Mr. KASTENMEIER. Mr. Speaker, in his profound and moving address to the General Assembly of the United Nations, President Kennedy expressed the view of most thoughtful Americans that "mankind must put an end to war—or war will put an end to mankind."

The President's eloquent statement was followed by a proposal for general and complete disarmament under full international control. His solid stand for this objective was greeted by wide acclaim throughout the world.

The President's expression of hope and his endorsement of an ideal were not mere words and eloquence. They were the expression of an idea which the President spoke about during the campaign and an idea central to the whole notion of the New Frontier. Moreover, as this session of Congress demonstrated, it is an idea which we believe to be worthy of the best efforts of the country.

As the session of Congress ended, a bill to create a U.S. Arms Control and Disarmament Agency was passed. The bill, as initially approved, won 290 out of 341 votes in the House and 73 out of 87 votes in the Senate. These powerful demonstrations of congressional approval for a serious new approach to disarmament underline both our backing for the President and our interest in a new approach to peace.

The Arms Control and Disarmament Agency will fill a great gap in our policy making machinery. Unfortunately, U.S. disarmament efforts have suffered from a lack of expert advice, lack of reseach support and lack of adequate preparation throughout much of the postwar period.

Our disarmament negotiators have returned from the conference table time and again to complain of inadequate backstopping and incomplete and unresolved instructions from home. Clearly, something had to be done to coordinate policy formulation and rationalize our research program for disarmament.

The President's new Agency was designed to fill this gap by John J. McCloy, his Special Adviser on Disarmament. The Agency will take the place of a small Disarmament Administration within the State Department. Its functions will be to coordinate research, policymaking, negotiating, and public information on disarmament. Its research mandate will be as broad as the greatest problems of peace; it will cover all aspects of the political, economic, legal, technical, and military approaches to the problems. New ways to keep the peace in a disarmed world will be studied; as will the economic aspects of disarmament.

With this broad mandate, the Agency's Director should be well prepared to formulate sound proposals for arms control and disarmament under full inspection. Basing himself in solid research, the Director will also be able to make his position known directly to the President; for the legislation gives him the rank of an Under Secretary of State and cites him as the adviser of both the President and the Secretary of State for all disarmament matters. This unique setup is designed with a specific purpose in mind. All too often past disarmament problems have occurred because the man in charge did not have sufficient status to resolve disarmament disputes between the various agencies. In order to make his position clear and to insure full coordination and compliance with a final policy decision, the Director is made the President's personal adviser. Once the President decides on a given proposal, therefore, the new Director will have sufficient status to insure that it is carried out.

Since the Director must also carry out his mandate through negotiations, he must be the adviser of the Secretary of State for this special aspect of the problem. In formulating research he is the President's man; in negotiating the fruits of research he works hand in hand with the Secretary of State and is designated as his adviser.

The new Agency should do much to clarify the problem of disarmament and to put us in position to offer challenging new approaches to the Russians on this question. Already the people working in this area have shown their competence by presenting the U.S. first complete disarmament treaty in Geneva this spring. Our test-ban proposals indicated our seriousness of purpose but also—by being the very first of their kind—proved that we had not been well prepared in the past. Henceforth we should be in position to present such detailed and thoroughly prepared proposals at each step of disarmament negotiations.

The President has proposed that William C. Foster, head the new Agency. Foster is a well respected Republican who headed the Marshall plan after Averill Harriman and who has served in many high capacities in the Defense Department. It is to be expected that Foster and the new Agency will now begin the serious and complicated work of laying out a new American position for world disarmament.

There is no doubt that the U.S. Arms Control and Disarmament Agency is a major step forward. It fulfills the promise of the Democratic platform and underlines the serious hope of all Americans and all mankind. It is truly, as its statement of purpose indicates, a new "agency of peace."

The Iowa Plan for Growth and Progress in Higher Education: A Solution to the Needs of Higher Education

EXTENSION OF REMARKS
OF
HON. FRED SCHWENGEL
OF IOWA
IN THE HOUSE OF REPRESENTATIVES
Wednesday, September 27, 1961

Mr. SCHWENGEL. Mr. Speaker, a few weeks ago I received a report from my research team at the State University of Iowa which showed that 27 percent of those parents who wanted to send their children to college cannot afford to do so.

Further, the report indicated that college and university enrollment is increasing at the rate of 5 percent per year. Thus, if present trends continue, by 1970, 50 percent of all Americans between 18 and 24 years of age will be enrolled in colleges and universities.

These figures are disturbing. The Nation may lose the potential contribution of many capable young people because the cost of a higher education is becoming prohibitive. With the increasing enrollment, the facilities and faculties of our colleges and universities will be very heavily taxed. It will be necessary to turn away many, many capable students.

This situation is one which must not be allowed to materialize. This Nation, at this juncture in its history, must train and develop every young person who has ability and capability. We cannot afford to lose a single individual.

In releasing this report to the press, I very briefly outlined a plan which, I believe, would do much toward meeting and solving this problem.

My education proposal, which I have chosen to call the Iowa plan for growth and progress in higher education—because it is very largely the product of work done by my research team at the State University of Iowa—consists of two phases:

Phase I would grant either a tax credit or a tax deduction to the parents of college students or to the student, depending on who incurred the expenses. I have introduced three pieces of legislation which would accomplish this.

Phase II contains some novel, interesting and, I believe, practical proposals which would greatly encourage parents to provide for their child's higher education.

The purpose of this plan is to assist parents in making advance financial preparation for a college or university education. At the same time, there would be created a vastly expanded and, I believe, adequate loan fund from which colleges and universities could borrow in order to expand their faculties, facilities, and programs providing they could prove the need and their ability to repay.

One of the proposals which we are now studying includes granting to the parents or guardian a $50 tax credit each year for each child up to age 18 or entrance into college—whichever is first—providing that an investment certificate was purchased at a private financial institution or from the Government. These certificates, which would be negotiable only at an institution of higher learning would create a loan fund upon which colleges and universities could borrow. When the child enters college his account at that institution would be credited in the amount—maximum $900 plus interest—of certificates purchased to age 18. The amount credited would be disbursed in four annual payments. In case the child did not attend college the account established for him would revert to the Treasury.

Another proposal to which we are giving some thought is one that would combine a tax credit and a tax deduction. The plan would work in the following manner:

First. A parent or guardian would receive a tax credit of $50 per year per child up to age 18 or entrance into college—whichever was first—if a $50 investment certificate was purchased.

Second. A parent or guardian would receive a $100 tax deduction if an additional investment certificate, in the amount of $100, was purchased. This would amount to a tax savings of about $20.

It is my hope that early in the next session I can introduce legislation to set up phase II.

The public and editorial response to these proposals has been very favorable.

There are several aspects of this plan which I want to make very clear.

This plan would encourage the general as well as the specialized education. While we need engineers, scientists, mathematicians, and foreign language specialists, we must not ever slight the humanities.

Under this plan there would be no strings attached as to the use of the certificates at the time they were negotiated except that the student must meet and maintain the academic standards of the institution in which he was enrolled.

Investment certificates would be purchased from private financial institutions—such as banks, savings and loan institutions and insurance companies—and perhaps as bonds from the Treasury.

This plan would provide a much needed fund upon which institutions of higher learning could borrow in order to expand their physical facilities providing only that they could show need and the ability to repay.

This fall, I plan to hold a series of conferences with business leaders, financiers, and educators regarding these proposals in order to work out the details thereof and in order to solve several problems. Preliminary conversations indicate that these consultations will be helpful and that in this way we can work out the remaining problems. It appears now that there are no problems regarding this plan which are insoluble.

I am convinced that a plan, such as the Iowa plan for growth and progress in higher education, can and will meet the problems of higher education which are confronting us. It will meet them without instituting Federal control. It will meet them without introducing the religious question. It will meet them by granting some financial assistance to parents and by encouraging parents to make advance financial preparation for their children's higher education.

I plan to expend considerable effort on these proposals because I think that they are correct and because they are needed.

Bankruptcy and the Experience of Judge Miles C. Riley

EXTENSION OF REMARKS
OF

HON. ROBERT W. KASTENMEIER

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 27, 1961

Mr. KASTENMEIER. Mr. Speaker, Judge Miles C. Riley, of Madison, Wis., has been practicing law for 54 years. For the past 30 years he has been conducting bankruptcy hearings in 16 counties in Wisconsin. During this period he has earned a well-deserved reputation as an expert on his subject and as a fair and greatly respected judge. The following article taken from the Credit Union Bridge of September 1961 gives us much insight not only into the workings of the bankruptcy laws, but to the personal experience and wisdom of Judge Riley:

A DAY IN A BANKRUPTCY COURT

(Personal bankruptcies have increased tremendously in the past few years—as much as 2,000 percent in some areas. Here's a look into one bankruptcy court, and one expert's views on the causes and remedies.)

A day in one of the busy U.S. bankruptcy courts is a revealing experience.

To these courts come people seeking relief from debt burdens; people whose business or personal affairs have become so hopelessly tangled that they feel the only solution is permission from the Federal Government to declare themselves broke.

More than 90 percent of today's bankruptcy cases are wage-earner cases; that is, personal rather than business bankruptcies. The volume of personal bankruptcies has increased tremendously in the past few years—as much as 2,000 percent in some areas.

Credit union officers—and everyone else interested in family finance, consumer credit, practical economics, and mid-century American sociology—might well find it interesting and educational to sit in on a day in a local bankruptcy court. The hearings, of course, are open to the public, as are records of the court.

Probably the dean of U.S. referees in bankruptcy is Miles C. Riley, of Madison, who at the age of 84 has been practicing law for 54 years and has been conducting bankruptcy hearings for 30 years.

The district he serves includes 16 counties in Wisconsin, with several medium-size cities, a number of industrial communities, and some of the best dairy and farming lands in the Nation. The volume of bankruptcies handled by Judge Riley's court has increased from a total of 37 in all of 1945 to more than 600 in the last year.

Is Judge Riley's court typical of bankruptcy hearings held across the Nation? Generally yes.

Let's sit in on a few cases during a typical morning's hearing:

FIRST CASE, MR. A

Mr. A is 40, an insurance salesman, is married, has four children aged 4 to 18. After he is sworn in by Judge Riley he sits nervously at a table with his lawyer, a few feet from the judge.

In response to the court's questions, Mr. A says he owns no real estate; he recently turned a house he was buying back to the mortgagor and realized $250 in the transaction, and his lawyer said Mr. A used this money toward paying debts. Mr. A's total assets, represented in total value of personal property (household goods and clothing) is $150, and his personal property is mortgaged in the amount of $185. Creditors (two of whom are present in the room) claim total debts of $4,300.

Mr. A has two cars, both paid for. One, a 1954 Buick, not in running condition, is of minimum value; the other, a 1951 Chevrolet in running condition, has a value of $100. He has $10,000 in term insurance; the policy is 2 years old and has no surrender value. He owns no stocks, bonds, or other securities.

His creditors include a bank with a revolving, "good-anywhere-in-town" credit plan. His salary is a "guaranteed" $450 a month, but he must meet an ever-increasing quota to receive his guarantee, and some months he doesn't make it.

Asked by the judge why he applied for bankruptcy, Mr. A says, "I have so many creditors there's nothing left." Turning to representatives of a bank and a finance company sitting across from him, he says, "I'm not complaining; you guys have been swell to me. But I've had so many threats of suits and garnishments, it got so I was afraid to answer the phone."

After conferring with the attorney and the creditors, the judge says "I see no reason for appointing a trustee in bankruptcy in this case, since this man obviously doesn't have anything. Unless there are any objections?" The creditors voice no objections.

BANKRUPTCY GRANTED

In approving Mr. A's application for bankruptcy, the judge concludes his case by citing the law; tells him that he need not appear again unless he is summoned by the court; and advises him that if he inherits property within 6 months of the date of filing for bankruptcy he must immediately inform his attorney (who will turn such inheritance over to the court) or face prosecution.

Mrs. B, a pleasant-looking housewife of 22, takes her seat confidently after she is sworn in. Her husband was granted bankruptcy in the same court a week earlier. She says she has one small child, and the judge notes, "prospects for another, I see." She is a high school graduate who works as a stenographer for the State.

She and her husband own no real estate. Their only assets are personal property and clothing. They pay $46 a month rent. They have a $1,300 debt to a sales finance company (household goods) on which they pay $44 a month; they owe $2,188 on a new, 1961 automobile and pay a finance company $62 a month; and have total debts of $6,700.

The judge earlier had ordered the husband to dispose of the car and get a cheaper, second-hand model, and he asks the woman's attorney whether this has been done. The lawyer says the husband is having difficulty getting credit to buy a used car. "I want that car turned in to this court tomorrow," the judge says.

A representative of a finance company, sitting in the hearing room, asks the court for immediate possession of the new car. He says his company is going to take a loss on the automobile, and wants immediate possession. "I agree with you that you're going to take a loss," the judge says. "I agree you should have possession as soon as possible. I sympathize with creditors and it is my job to see that creditors are protected.

"But when you make an unjustifiably large loan to a person you know can't keep up the payments, you must expect some trouble, including bankruptcy. That's part of your business." The creditor says he did not know these people couldn't make the payments. "Then you should have," says the judge.

This man and wife have a combined income of $400 a month. The judge asks Mrs. B why she is applying for bankruptcy. She said her husband has had threats of garnishment and the boss said he'd be fired if it happened. She is expecting a child, and will quit work in a matter of 6 months. She is cheerful and composed as she testifies, an attitude the judge does not like to see in these cases.

"Now you listen to me," he says. "I don't want you to take this thing lightly. This is serious business, do you understand? I want you people to get back on your feet. You have one child and another on the way. You have a duty to Uncle Sam to bring these youngsters up right." As he does in every case, he asks the lawyer whether he is sure his client has made full disclosure of all assets, and returns to Mrs. B.

"Have you told your lawyer the whole truth? I insist on this; this court must know the truth. It wouldn't be a bit nice to have that baby over in the jail, would it?" The judge finally grants bankruptcy after giving Mrs. B final instructions as to the law, and she gets up cheerfully and leaves.

When she is gone, the judge says, "Look at that little know-nothing girl; she hasn't got sense enough to come in out of the rain. And if you could have seen her husband—he's worse. And these are the ones these ——— credit people really load it on. (Judge Riley is a man of pungent speech.) "A nice girl—nicest girl you'd want to meet. But she just doesn't have any ——— sense when it comes to credit or family finance."

Mr. C is about 40, employed as a house painter, and has four children, aged 12 through 16. He has a ninth-grade education. His assets in personal property, total $660, and his debts total $3,850. He went through bankruptcy once before, 10 years earlier, before the same judge.

He has no real estate; has never had any. Household goods, wearing apparel all paid for. Has a 1951 Buick, worth $100, paid for. No life insurance, no securities and no money owed him. His take-home pay averages $90 a week. As he does in each case, the judge asks the reason for applying for bankruptcy, adding, "I'm not asking for an apology. You have every right to file for bankruptcy, and I am here to help you. I merely ask you for your reasons, the facts behind your trouble."

This man owes money to many doctors and hospitals; there has been much sickness in the family. He also owes finance companies and stores. Mr. C says he often works "short weeks" on the job. His wages have been garnished and his boss advised him to go into bankruptcy; otherwise his job is threatened. No creditors appeared in court.

In granting bankruptcy the judge told Mr. C, "now when these creditors come around crying on your shoulder I want you to make no promises. You tell them to see your lawyer; that your affairs are in the hands of this court." Repeaters, he says, are rare in his court, but among the few who do declare bankruptcy more than once, the reason often is that creditors have talked the debtor into giving them money; the debts behind the second bankrupty often are the same debts behind the first.

D HAS EIGHT CHILDREN

Mr. D, 36, is a machine operator, married, with eight children ranging from 2 to 12. He has 9th-grade education, owns no real estate. His personal property is free of debt. He owns two cars, a 1951 Buick, not operating, value $100, and a 1948 Plymouth, in running condition, worth $20 to $50. He owes $1,500, including many small bills to utilities, stores and finance companies, and $100 on the car that doesn't run. He has no life insurance. All eight children live at home; six are in school. His take-home pay is $80 a week.

FIFTEEN GARNISHMENTS

Why did he apply for bankruptcy? His attorney said Mr. D tried several plans of voluntary debt payment but they never worked out. He had one garnishment after another, a total of 15. "I had to do something so I could get food and clothes for my kids." His attorney said he failed to pay his way out from under his debts because of the repeated garnishments. The judge noted that many bankruptcies are caused by garnishments, particularly in industrial areas where companies have rulings under which a worker is fired after one, two or three garnishments.

In granting Mr. D bankruptcy, the judge congratulated him on being in relatively good shape considering the conditions. "Your household goods are paid for, and you haven't gone over your head on an expensive car. This shows good sense; in some ways you have handled your affairs pretty well. Considering the size of your family and your income, it's no wonder you're in financial trouble. You're an example of the kind of person the bankruptcy law is designed to protect."

Mr. E, 38, an auto assembly plant worker, has a wife and two children, owns no real estate, and his only assets are personal property. He owes about $1,500 to small loan companies, stores, an encyclopedia publisher, and others. Through his attorney he has requested relief under chapter 13 of the bankruptcy law and wants to pay $20 a month on his debts. (Ch. 13 protects a wage earner from garnishments while he pays off his debts on a schedule under court supervision.)

He says he does not want straight bankruptcy because "then they'd take my furniture and household goods away, and I'd have to buy new stuff on credit and start the whole thing over again."

The judge told Mr. E "you and I have established that you can pay $20 a week to your creditors, and that you want to pay them. Your creditors have agreed on such a plan. Now I want you to leave here with an obsession to pay these debts. I don't want you to go into debt again or make another move involving a dime without consulting this court.

"If you find you can't make these payments, this court has the power to reduce them. If you get a raise and want to make bigger payments, we can increase them. We want to make it a pleasure for you to pay your debts and enjoy the feeling of not owing anybody. We've taken the shackles off you. No creditor can touch you with a garnishment as long as you play the game with us."

The judge added that the court might order Mr. E to return the encyclopedia (one of the expensive adult sets) because "while they're nice to have, they're not exactly a necessity for a man in your financial shape."

Mr. F, a 30-year-old salesman, came into his hearing owing $21,250. Of this amount, $16,000 represents a house mortgage. He owes $1,600 to finance company A and was paying $56 a month; $1,800 to finance company B, and was paying $70 a month; $1,180 to finance company C, paying $50 a month; $450 to a bank, paying $45 a month; $235 on a store charge account, paying $12 a month; and $320 to a chainstore, paying $18 a month.

JUST A SUCKER

This adds up to about $250 a month, plus his house payments of $119. His income is $400. The judge shakes his head. "It's hard to imagine anybody getting himself into such a ——— mess," he says. "How did you get into such remarkable financial trouble?" Mr. F replies that his wife has been sick a lot, then adds more realistically, "I'm just a sucker for easy credit." Before granting Mr. F. bankruptcy, Judge Riley expressed himself colorfully in condemning Mr. F for being such a "credit boob" and condemning the lenders involved for letting this man have money.

It is not only loan companies that are called down. In one case a banker sat in the hearing room as a man was being questioned on his request for bankruptcy. The man was $28,900 in debt, and the bank in question had a $3,000 lien on his car, plus an additional unsecured note of $1,500. Noting that the car's value was listed as $1,750, the judge turned to the banker and said, "Well, well, you bankers are getting a little nutty, too, aren't you?"

To a finance company representative after an applicant ticked off a long list of debts, Judge Riley said, "Do you see what you people are doing? Here's a fine example of how you people operate. How is this man supposed to pay you and all the others? Why did you allow this man to borrow a nickel?

"Now you sit there waiting for your share of the dividends of this man's assets. Well, I can tell you there won't be any dividends. This man hasn't got a ——— thing but his clothes and his furniture, and part of that is mortgaged. You can take your share of the credit for the shape he's in."

Judge Riley admits to three obsessions that he has developed in his 30 years as a bankruptcy referee; all three are interconnected.

His first obsession is that "this country has only one resource, it's kids. I'm 84; old fogies like me don't count. I don't worry too much about the other old fogies that come in here; they've had their chance. But the kids who come before me in trouble, and go out of here with the scarlet letter of bankruptcy stamped on them—I can't tell you how serious I think this is."

His second obsession is that "America is in a fantasia of credit. I realize that this country never could have become as strong and important as it is without credit," he says. "I am not opposed to credit. But this fantasia—this frenzy of people to borrow money and frenzy of creditors to give it to them."

CRITICAL OF LAW

And his third obsession is that American bankruptcy law is doing a poor job. "My experience tells me that at least half the people are able to pay their debts if given time extensions," Judge Riley sees the answer in chapter 13.

But he is critical of chapter 13, too. "What is needed in chapter 13 cases is a staff of counselors who will talk with people, examine their problems, educate them to understand how they got into trouble, and keep them enthused about paying their debts. It should be done by competent, trained people, and done with personal interest and good feeling. Otherwise, chapter 13 is the bunk."

Who is it that decides whether a person shall ask for straight discharge in bankruptcy or relief from debt under chapter 13? "The defect in the system is that the lawyer makes the decision," he said, "not the client,

and not the court. Most lawyers simply put a man through straight bankruptcy. Many lawyers know next to nothing about bankruptcy law, and many university law schools don't teach it. I have had lawyers in this court ask me 'what is chapter 13?'

"Lawyers don't know—and it's not their business to know—how much help their clients need in solving their financial troubles, how much economic rehabilitation could be given, or what is the story behind each bankruptcy."

LAW NEEDS CHANGING

Judge Riley believes strongly that the Federal law must be amended so that the bankruptcy judge—no one else—shall decide whether a man is relieved by straight bankruptcy or under chapter 13. And he insists further that the amended law must make provisions for providing competent staffs of counselors for every referee in bankruptcy. (Judge Riley for some time has had his own staff of counselors.)

"Creditors must be educated too. They must be told by someone—and nobody is doing it now—that if they extend easy credit they have to accept hazards.

"Let me give you an example of what this frenzy for production, production and more production is doing to this country. I had a fellow in here from a big company—one of the biggest in the United States—that had a claim of $30,000 against a bankrupt. He was not one bit fazed by the fact that he wasn't going to collect. You know what he told me?

" 'Listen Judge, this is peanuts. Don't you think my company can take a $30,000 loss once in awhile? I'm sure it won't bother us very much. We expect a certain amount of these.'

"Here's what I told him," Judge Riley said. "Sure, this loss is peanuts to you, but you have competitors who can't afford a loss like that. And you're setting the pace of credit in your industry by your example. What about all the people who are going to get in debt and wind up in bankruptcy court—some of them with their whole lives shot—because your company can stand a big loss? To say nothing of small businessmen that have to risk their necks extending credit, trying to compete with you."

THIRTY-YEAR SUMUP

"Let me sum up my position on credit and bankruptcy, based on 30 years of looking at the dark, brown side of the family and business finance," he said:

"In 1935 there were roughly 77,000 bankruptcies in the country, of which 46 percent were individual. This was while 26 percent of the population was unemployed. In 1960, there were 110,000 bankruptcies, of which 90 percent were individual, and 6 percent of the population was unemployed.

"Behind this tremendous increase in personal, individual bankruptcies are an obsession among businessmen for increased production at any cost, and a fantasy of credit in which both the borrower and lender have lost their heads.

INTENDED AS RELIEF

"Bankruptcy is intended to be, and should be, a relief for distressed people, not an easy way out of responsibility. Actually, it often is not an answer anyway—people who think bankruptcy means wiping away all debts are mistaken. Mortgages—any valid liens—are not dischargeable through bankruptcy. The only debts wiped away are unsecured debts; anything bought on a valid lien must be paid for or it can be taken away. Many bankrupts have learned that after the finance company takes the car away and the store takes back the furniture, and the lawyer has been paid his fee, he's no better off than before, and has to get right back in the hole for more furniture and other necessities.

"Every bankruptcy court should have a trained staff of counselors, by law. It should accept the idea that its job is to see that a bankrupt learns something from his experience and is encouraged to pay his debts if at all possible, and pay them poudly."

Union and Echo Reaches New Milestone

SPEECH
OF
HON. THADDEUS J. DULSKI
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Friday, September 22, 1961

Mr. DULSKI. Mr. Speaker, the Catholic Union and Echo, a Catholic newspaper in Buffalo, N.Y., recently enlarged its editorial offices. In dedicating and blessing this addition, the Most Reverend Joseph A. Burke, bishop of Buffalo, said:

This newspaper has defended principles that were not invented by men but were revealed by the living God. It will continue to perform that vital task for the enlightenment and progress not only of our country, but of God's holy church.

The observance marked completion of a second-floor addition containing editorial, advertising, and general office space for the 89-year-old publication. The official newspaper of the diocese of Buffalo, it has a circulation of 46,000.

The addition provides 5,000 more square feet of space for production of the paper and makes possible a rearrangement and expansion of printing facilities on the first floor.

Alfred H. Kirchhofer, editor of the Buffalo Evening News, who spoke at the dedication of the new building at the site in 1933, noted today:

This is a significant day because no other publication in Buffalo within a period of 28 years has had to double the amount of floor space it occupies.

Continuing, Mr. Kirchhofer called attention to the "interrelationship of the art of writing and printing to the development of all publications, secular and religious."

He observed that Catholic publishers are expressing themselves increasingly on social issues which affect the Catholic population and the entire community. He quoted a recent description by His Holiness Pope John XXIII in speaking of the high standards set for newspapers.

The pontiff told a convention of Italian journalists that their work constitutes a "difficult and serious profession," whose members must have "the delicacy of a doctor, the versatility of a literary scholar, the intuition of a jurist and an educator's sense of responsibility."

Msgr. Francis J. O'Connor, the editor-in-chief, termed the occasion a time for gratitude and rededication.

Commending the staff of the paper, he said that "all have shown what the church means when she speaks of the golden age of the laity." He said the addition to the building is a symbol of "their joint effort in ideas and in service."

Mayor Sedita cited the expansion as a sign of growth and success. "It is the earned and deserved reward for faithful adherence to certain concepts of mission and responsibility which have marked the existence of the Catholic Union and Echo," he said.

Cy B. King, executive editor of the Courier-Express, commended the diocesan publication on its growth and remarked:

We complement one another in our reporting of matters important to the citizens of this community. The Catholic Union and Echo does a job for Buffalo and the diocese which, in its breadth and depth, we never could hope to do.

By the same token, the daily papers do a job of furthering community understanding by the publication of articles and news of religious objectives and ideals that possibly would not reach those of other faiths by other means.

Joseph P. Driscoll, associate editor of Catholic Union and Echo, was master of ceremonies.

Open house was held for nuns of the diocese from 3 to 5 o'clock, and for friends of the newspapers from 8 to 10 in the evening.

The editorial that follows appeared in the Buffalo Courier-Express on September 20, 1961:

UNION AND ECHO REACHES NEW MILESTONE

The Courier-Express today joins in western New Yorkers' tribute to the Catholic Union and Echo, official newspaper of the Catholic diocese of Buffalo, upon the dedication of the publication's newly expanded editorial offices and mechanical facilities.

Down through the years the Union and Echo has maintained the highest newspaper standards in reporting the progress of the diocese as well as explaining and interpreting the teachings of the Catholic Church to its laity and non-Catholics as well.

As succinctly stated by Cy B. King, executive editor of the Courier-Express: "We complement one another in our reporting of matters important to the citizens of this community. The Catholic Union and Echo does a job for Buffalo and the diocese which, in its breadth and depth, we never could hope to do. By the same token, the daily papers do a job of furthering community understanding by the publication of articles and news of religious objectives and ideals that possibly would not reach those of other faiths by other means."

We feel certain that the new addition to the Union and Echo is only one of many such progressive strides that will be taken in the future as the newspaper expands. In present and future attainments we wish our neighbor publication continued success.

Hon. Paul Brown, of Georgia

SPEECH
OF
HON. FLORENCE P. DWYER
OF NEW JERSEY
IN THE HOUSE OF REPRESENTATIVES
Monday, September 25, 1961

Mrs. DWYER. Mr. Speaker, the death of our former colleague, the Honorable Paul Brown, of Georgia, has brought grief to all who knew him. Prior to his retirement last year, I was privileged to serve with him for 2 years on the Committee on Banking and Currency. There, as in all our other contacts, he was unfailingly kind, courteous and helpful.

Paul Brown brought great dignity and ability as well as the wisdom of long experience to our committee's deliberations. He was thorough and practical and constructive—qualities which, throughout his two decades of service in the Congress, enabled him to contribute greatly to his district, his State, and his Nation.

I am grateful for our association, brief though it was, and I join our colleagues in expressing my deepest sympathy to his wife and daughter.

Addresses by Hon. Eugene R. Black, President of the International Bank for Reconstruction and Development, at the Vienna Conference

EXTENSION OF REMARKS
OF
HON. ABRAHAM J. MULTER
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Friday, September 22, 1961

Mr. MULTER. Mr. Speaker, on September 19, Mr. Eugene R. Black, President of the International Bank for Reconstruction and Development, addressed the Board of Governors assembled for the annual meetings of the International Bank for Reconstruction and Development, International Finance Corporation, International Development Association, and the International Monetary Fund. On Friday, September 22, Mr. Black also addressed the closing joint session of the Boards of Governors.

Because of the vitally important role the World Bank is playing in the world today, Mr. Black's remarks are especially significant. For this reason I commend them to the attention of our colleagues:

ADDRESS OF EUGENE R. BLACK, PRESIDENT OF THE INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT, TO THE BOARD OF GOVERNORS

It is a great pleasure for me to find myself greeting you here in Vienna, and let me add my own most cordial thanks to our hosts for inviting us to spend a few days in the gracious atmosphere of their lovely city. There will not, I trust, be any lack of harmony in our proceedings to disturb the shades of Mozart, Haydn, Schubert, or Strauss, and I hope that the ghost of Metternich will not be distressed by any informality in our diplomatic ways.

I would like to address a special word of welcome to this meeting to our new members, the governments of Nigeria, Portugal, Laos, New Zealand, and Nepal, and to the representatives here of other countries who have applied for membership. With the new membership now in sight, our organization will embrace nearly eighty nations. This must be one of the largest and most representative international gatherings that has ever met in this capital, which has such long traditions of diplomacy, culture and science.

I shall not attempt, on this occasion, to give a detailed review of the whole scope of the World Bank's activities. We have invested in development projects in 57 member countries and territories and have added to our capital resources by borrowing in the capital markets of seven member countries and Switzerland. The facts and figures about our operations are in the annual report before you and I shall not repeat them. Instead I will touch on a few of our problems—some old and some new—and, since this year, for the first time, I am presenting to you the annual report of the International Development Association, I shall give some special attention to that newest member of the World Bank family.

But before delving into these matters I want to say a word in appreciation of a man who is about to leave our immediate circle, a man who has done perhaps as much as, if not more than, any single individual to make possible the record of the World Bank and its affiliated organizations. I refer to Mr. Robert Garner.

In 1947, Mr. Garner left a lucrative and comfortable position in industry to become vice president of the World Bank. For the next 9 years he worked tirelessly to build up a competent professional staff and to fashion sound and suitable policies for a new venture into international banking. Many who are senior officers of the Bank today received their training under Mr. Garner and I know they share my conviction that he has a rare and precious talent for getting the best from his associates.

Five years ago, Mr. Garner was able to bring into being another organization, to whose design he contributed greatly, and which was aimed at serving private industry in the underdeveloped world in a way that the World Bank was not empowered to do. He presided over the birth of the International Finance Corporation and nursed it through its inevitable growing pains. Again he was a pioneer and imparted to those fortunate enough to work with him something of his own indomitable spirit.

All of us who have been privileged to know Mr. Garner well and to work with him are the better for it. I would like to wish him every contentment in his retirement and offer him the assurance that he has most certainly made his mark and will not be forgotten.

The lending activities of the World Bank continue at a high rate. Loan commitments during the past year amounted to about $610 million. Since the end of the year we have signed eight loans in a total of over $160 million.

The year's loans conform to the usual pattern of Bank operations with some growing emphasis on transportation.

A $90 million loan to Pakistan represents the Bank's contribution to the implementation of the Indus Basin Settlement which was reached last year. I am glad to report that construction will shortly start on several vital irrigation works in Pakistan, which form part of the 10-year construction program included in the settlement. The Indus Basin Development Fund, which the Bank is administering and into which participants in the financial arrangements are paying their contributions, has been organized, has made calls on the contributing governments, and has already begun disbursements.

The Bank has been holding meetings at regular intervals with a consortium of countries interested in the financing of India's 5-year plans. Last May a similar consortium was organized for Pakistan. These meetings have helped significantly to mobilize and coordinate the finance necessary for the early years of the current 5-year plans of both countries. We are now considering the appropriateness of the consortium technique in several additional countries.

The year was an active one for our Bond Marketing Department, but our outstanding funded debt rose by only $155 million, the smallest increase in 5 years. Two circumstances limited our need for new money. First, disbursements on loans have not been moving as fast as previously; for a variety of reasons, construction of many of our projects is taking longer. Secondly, we sold from our loan portfolio during the year, without our guarantee, about $200 million of our borrowers' obligations. Our total sales of loans, including participations at the time of loan signing, have now passed the $1 billion mark. The annual report has a discussion of this part of our business which I think you will find interesting.

All our borrowing during the year was done outside the United States. In July of 1960 we made a very large borrowing from the Deutsche Bundesbank. This was followed by our 9th and 10th issues on the Swiss market. (We are currently negotiating a further borrowing from the Swiss Government.) Last spring, for the first time in 6 years, we raised new funds in the Netherlands. And after the close of the year our bonds were offered for the first time on the Italian market. This was the first offering on the Italian market in more than 25 years by a non-Italian borrower, and it was most successful.

I am very pleased with the reception which World Bank bonds have been accorded recently in all European markets. I can assure my European banking friends that we will continue to do everything we can to keep the World Bank an attractive channel for investment funds flowing from Europe to the underdeveloped countries.

There are two, what I might call extracurricular, activities of the Bank which I would now like to mention:

At the meeting in Tokyo last July of the Development Assistance Group, consideration was given to a number of measures that might be taken by the governments of capital-exporting countries to further encourage the flow of private capital into the underdeveloped countries. This increasing attention which is being given to the contribution that private foreign investment can make to the development of the underdeveloped world is a trend I welcome. Among the measures discussed was the possibility of devising a multilateral scheme for the insurance of foreign investments against various noncommercial risks. The Governments of Germany, Japan, and the United States already have guarantee programs covering investments of their nationals in underdeveloped countries. During the past few years suggestions have been made in various quarters for a similar program on an international basis, and the Development Assistance Group has asked the bank to study and report on the potentialities and problems involved in the establishment of such a program. The bank has accepted this request. In doing so, however, we made clear that while we were generally familiar with the various proposals, we had no preconceived ideas about their usefulness or feasibility. We have made some progress with our study, but I am not yet in a position to forecast our conclusions.

Another subject that is frequently mentioned in this connection is the settlement of disputes between governments and private investors. As most of you know, the Bank as an institution, and the President of the Bank in his personal capacity, have on several occasions been approached by member governments to assist in the settlement of financial disputes involving private parties. We have, indeed, succeeded in facilitating settlements in some issues of this kind, but the Bank is not really equipped to handle this sort of business in the course of its regular routine.

At the same time, our experience has confirmed my belief that a very useful contribution could be made by some sort of special forum for the conciliation or arbitration of these disputes. The results of an inquiry made by the Secretary General of the United Nations show that this belief is widely shared. The fact that governments

and private interests have turned to the Bank to provide this assistance indicates the lack of any other specific machinery for conciliation and arbitration which is regarded as adequate by investors and governments alike. I therefore intend to explore with other institutions, and with our member governments, whether something might not be done to promote the establishment of machinery of this kind.

The Bank's regular technical assistance services were more active in the past year than ever before, and I shall have more to say about them later in these remarks. Here let me mention just one specific feature:

Our Economic Development Institute completed its sixth course during the past year and the Institute now has 118 alumni. Many of them have asked if, on leaving EDI, the kind of reading and reference material to which they were introduced during their stay at the Institute could be made available to them, and to their colleagues, when they got home. We have now made arrangements to distribute 85 libraries of carefully selected economic development literature to various institutions in our member countries. This program is a joint venture; the cost is being shared between our Economic Development Institute and the Rockefeller Foundation. The libraries consist of approximately 400 books, articles, and papers, in English. The Institute is planning similar libraries in French and Spanish, which will entail a substantial amount of translation. In the distribution of these libraries we have given preference to agencies and ministries in which Fellows of EDI are employed.

Let me turn now to the report of the International Development Association.

As of September 1, 54 countries have completed all the formalities to join IDA. Together they have subscribed the equivalent of $908 million to IDA's initial capital; of this amount $756 million will be available in freely convertible currencies by the end of 1964. $178.5 million of convertible currencies are now paid in, in accordance with the terms of the articles.

You will see from the report before you that, during the period of 8 months from the beginning of IDA's operations in November 1960 to the end of its first fiscal year, development credits totaling $101 million had been extended to four countries. Since June 30, $36 million in additional IDA credits have been extended and two further countries have been added to the list of recipients.

You will also see that each of these credits has a 50-year maturity and that there are no interest or commitment charges. Each credit, however, carries a small service charge to provide IDA with income to meet its administrative expenses. Amortization begins after a 10-year period of grace. This pattern, we think, effectively meets the organization's objective of providing development capital on terms which do not bear heavily on the borrower's balance of payments. However, IDA's charter allows considerable flexibility in setting terms, and we are not committed to any uniform pattern for IDA financing.

IDA's charter also allows considerable flexibility in determining the countries in which IDA will operate. There is a variety of circumstances where we feel an IDA credit may be justified. A necessary condition in all cases is evidence that the borrowing government is making a real effort to mobilize its own resources and to gear its financial policies to development. This standard, as I have said before, has been borrowed from the Bank and is being applied in IDA operations. But, IDA need not apply the same standards as the Bank with respect to a borrowing country's capacity to repay in foreign exchange. There are a number of countries, especially those that are very poor, whose foreign exchange situation is such that they cannot borrow abroad at all on conventional terms. Because of their bleak balance of payments prospects, IDA is prepared to assist these countries, when the government can show a definite will to mobilize domestic resources and to avoid inflationary policies.

A second, and large, group of countries in which IDA is prepared to operate consists of those whose burden of foreign debt service is so high that, while they can borrow on conventional terms some of the external capital which they require to carry out their priority programs, they cannot prudently borrow the whole of it. In these circumstances you may find the World Bank making loans and IDA extending credits at one and the same time. This, in fact, has happened with India, Chile, Sudan, and Colombia, for example.

These are very broad criteria. In practice, the decision for or against an IDA credit or the decision on the right blend of IDA funds and conventional funds calls for a large element of judgment. It is just not possible to apply to all countries a single yardstick of creditworthiness. Ratios of debt service to exports, or of debt service to local budgetary receipts or gross national product—while indicative—cannot be used as rigid criteria. Much depends on the particular circumstances of the borrowing country, on the stage of development it has reached, on the structure of its economy, on the prospects for increased exports, and so on.

There is yet another element of flexibility in IDA's charter of which we shall take advantage; namely, the range of projects which IDA will consider. The charter authorizes us to go beyond the usual types of projects financed by the Bank, and the authors of the charter clearly expected us to do so. The recent IDA credit to assist in the financing of a municipal water supply makes a first step in this direction. We are also actively considering a project to finance the construction of an industrial estate and another to finance a technical training program. We are considering these kinds of projects in consultation with other organizations, including the appropriate specialized agencies of the United Nations.

In the administration of IDA funds, questions of terms, eligibility, and project selection all raise problems, many of which we are still in the process of resolving. But we have seen enough of the picture to be convinced that IDA's major problem will be the meagerness of its present resources. There is in sight now a volume of promising applications which, if approved, would absorb a substantial part of the convertible funds initially subscribed for IDA's first 5 years of operations. India and Pakistan together are already in a position where they could quickly absorb in worthwhile projects all of IDA's capital by themselves.

Some members of IDA cannot yet present concrete proposals for credits because they are not yet able to present adequately prepared and justified projects. But others show every indication of coming forward with very substantial requirements, demonstrating that once a country organizes itself for development it can rapidly build up a burden of debt which may limit, at least temporarily, its ability to borrow abroad on conventional terms. In these circumstances, even on a conservative estimate, IDA's funds are likely to fall far short of the need. And considering this, it is none too early to ask ourselves what the future of IDA ought to be.

More is at stake here, however, than just the future of IDA. Development is now accelerating on a broad front in the underdeveloped world, and this presents two important problems to be tackled if we are to maintain productive cooperation between lenders and borrowers. First, we must redouble our efforts to insure that the aid offered really serves a priority development purpose; we must use all the influence that we can command, and extend all the help that we can, to insure that the underdeveloped countries themselves effectively utilize all their available resources. Secondly, quite apart from whether the funds flow through IDA or some other channel, our common objectives require that a greater proportion of the development capital provided should bear terms comparable to IDA's.

On the first of these points, let me say that, in my view, the ability of a borrower to use capital for sound development purposes is no less important—and indeed it is more important in the long run—than the form in which a lender makes capital available. This is why the Bank and IDA insist on every borrower presenting a well-conceived project which could fit into a sound development program. This, in fact, is the justification for our whole range of technical assistance services.

Over the past 14 years the Bank has been steadily increasing its technical assistance activities. We have deliberately adopted a liberal definition of these services. In the budget for the current fiscal year we are providing funds which will be applied to the financing of general survey missions; to the costs of our Economic Development Institute; to our general training programs; to the expenses of resident Bank representatives and of Bank staff members seconded to member governments in an advisory capacity of one kind or another; to the cost of sector surveys, such as a general transportation study in Colombia and a highway study in Peru; and, in special cases, to the cost of feasibility studies on individual projects. In addition, we have done considerable work as executing agent for the United Nations Special Fund on some large preinvestment studies.

The Executive Directors have shared my view that one of the most important activities in which the Bank can engage is trying to help member governments through services of the kind I have mentioned to organize their advance along the road to development. Today, the need is greater than ever—in part because of the increase of the development effort in many countries, in part because of the emergence of many nations with governments still lacking experience in the development field, and in part because of the increase in the number of aid-giving agencies whose efforts can be coordinated most effectively only in the recipient country. There is at once a much greater recognition than ever before of the essential importance of development programing and of sound project preparation; and at the same time there is an urgent need for competent people to help the underdeveloped countries to achieve these ends.

Against this background, we have recently decided that the Bank should expand its assistance to member countries by forming a group of highly qualified development advisers who will be available to our member countries on request for extended periods of time. These advisers will be integrated into a Development Advisory Service administered by the Bank. They will perform such duties as chief or senior economist of a general survey mission; resident economic or financial adviser to a government; member of, or adviser to, a planning office; administrator, or adviser to the administrator, of a development program; or simply an adviser on current economic and financial problems. We aim to recruit for this Service only those with the highest professional qualifications. We are under no illusions that this will be an easy job, so we can expect that at first the Development Advisory Service will be very limited in numbers.

These members of the Service, of course, will not go out equipped with model devel-

opment programs. The task of the development adviser is not to try to impose solutions but rather to illuminate the choices which governments must make if they are to proceed along the road to economic growth. The choices may be among the various economic sectors covered in a national program or among the various projects within a sector. In any case, the development adviser's job is to present choices in an orderly way, gathering cost data and identifying the benefits of projects so that the government can decide more confidently how fast to proceed and in what direction, given all the competing claims on its financial resources.

This is all a very practical exercise, not just for the underdeveloped countries but for the capital-exporting countries as well. In debates over development assistance there is too much emphasis, I think, on the quantity of the aid and too little emphasis on the quality of the effort.

The questions, "How much aid?" and "On what terms?" can only be answered dispassionately if there exists the element of sound development programing and administration. This is the lesson, I think, of our consortia meetings on India and Pakistan. In each case the background was the country's development program. Without these programs there would have been little basis for concerted action by the aid-giving agencies. Indeed, without a well-conceived development program as a basis, I do not see how the appropriate quantity of aid can ever be realistically determined for any country, whether with a consortium or without one.

Now I come to the second of the two important problems that I earlier referred to; namely, the need for a greater proportion of development capital bearing terms comparable to those of IDA. This problem gives me—and indeed should give all of us—serious concern.

If I have any criticism to make of the results of the India and Pakistan consortia meetings, it is that too much of the capital subscribed will be provided on terms which bear too heavily on the balance of payments of the recipients. I do not mean to dwell on these cases, but they illustrate what is true not just of these two countries but of a growing number of others as well: it is going to be harder and harder to keep development projects and programs moving ahead in an orderly fashion and at an orderly pace unless the aid mixture has a larger component of funds on a grant basis or on terms comparable with IDA's.

When the Organization for European Economic Cooperation looked at the flow of official—not private—capital to the underdeveloped countries for the years 1956–59, it found that more than half went in the form of outright grants. This seems a very creditable record, and it was in its time. But there are signs that the ratio between conventional credit and what one might call unconventional credit is already changing—and, from my point of view, changing for the worse.

During the period studied by OEEC, more than nine-tenths of the aid extended on other than "hard" terms came from the United States and France. Other countries, during this period and since, have become substantial lenders to the underdeveloped world, but they have not yet brought themselves, to the extent that existing circumstances require, to extend their aid otherwise than on conventional terms.

Furthermore, when one looks at the outstanding "hard" debt of individual underdeveloped countries, one sees in most cases a rapid increase and, in too many cases, a persistent tendency for debt repayments to pile up in the early years. Taking some examples from Latin America, there is one country where at the end of 1953 only 24 percent of it was repayable in the next 5 years while, at the end of 1959, 56 percent was repayable in the next 5 years. In another, the ratio went up from 16 percent at the end of 1953 to 50 percent at the end of 1960. There is a similar trend in Asia and elsewhere. In one case, the ratio went up from only 8 percent at the end of 1953 to 33 percent at the end of 1959; in another, from 28 percent at the end of 1952 to 50 percent at the end of 1960.

To me these figures are warnings of possible financial reefs ahead. I do not have to explain to this audience how the machinery of economic development could be overloaded with foreign debt until it sputtered to a halt amid half-built projects and mountains of discarded plans. I expect, indeed, that there are some in this audience who can point to projects in their own countries which are at this very time suspended in midair, so to speak, for this very reason. Maybe it is a half-finished highway or a hospital that has been built but not equipped. This kind of disruption kills peoples' hope in orderly economic progress and, if it persists, can lead to serious disillusionment.

Superficially, it would be nice if we could devise some reliable index of credit worthinesss which would tell us in every country and with complete assurance when we were headed into financial trouble. But, as I have said, there is no such index. Of course, there is the possibility that when debts fall due, defaults will be forestalled by voluntary action on the part of creditors to extend the period of repayment. But this would only magnify the accumulation of interest payments, which by themselves have in many cases already attained a formidable size. Surely our objectives demand that we minimize this kind of financial uncertainty and avoid the risk of disrupting the march of development through financial default.

The safe and sane way to minimize these dangers is to maximize the amount of official capital which is supplied at very long terms with only a token interest burden. I sincerely hope that in the months ahead lending countries will make every effort to reverse the trends I have cited by increasing the share of capital that goes to the underdeveloped countries on terms properly geared to their requirements.

It may be that some of our capital-exporting member countries interested in further development in the underdeveloped world may find it difficult to administer aid on nonconventional terms through bilateral programs. To them I would say that IDA's charter allows us to accept supplementary contributions from them at any time. Indeed, more generally, I think it is none too early for member governments to turn their minds toward the possibility of handling a greater share of the common burden in this way.

It has been a source of great encouragement to me to see the increasing practical interest in the development of the underdeveloped countries on the part of the nations of the Atlantic Community and Japan. This interest is being sustained in the face of urgent claims on the resources of these nations and in some cases in the face of economic and financial vicissitudes which call for a close examination by them of their overall commitments. But there are few commitments I can think of which should take precedence over a commitment to support the growing momentum of development in the underdeveloped world. Let us be especially diligent, however, that the resources we look for in the name of development assistance are asked in support of programs and projects which will, in fact, produce the results which all of us are seeking. But once we have this assurance, and we are having it in increasing measure, then let us be steadfast in our support, and generous in our appraisal of the need. For how else can we preserve hope in the future except by trying, and keeping on trying to make common cause with the peoples of the underdeveloped world, in helping them to rise from the depths of the poverty which for so long has been their lot.

REMARKS BY EUGENE R. BLACK, PRESIDENT OF THE INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT, AT THE CLOSING JOINT SESSION OF THE BOARDS OF GOVERNORS

May I, at the outset, express sincere thanks, both for myself and for my associates, for the many kind words which have been said about the work of the Bank and IDA during the discussions here this week. Your continued understanding of and support for our varied activities in the broad field of development assistance are very heartening to us as we face the great tasks which lie ahead.

Much as I appreciate the compliments you have paid, I appreciate even more the constructive suggestions which so many of you have put forward for further improvement in the level of our performance. I will not, of course, attempt to comment upon those suggestions at this time, but I know that I speak for the Executive Directors as well as for the management of the Bank and IDA when I assure you that they will all receive our careful consideration.

Several Governors indicated disappointment that the Bank's rate of lending appears to be declining somewhat. I want to say to them that, in this situation as in so many others, figures tend to be misleading. It was essentially an accident of the calendar that the total volume of Bank loans for the past fiscal year was somewhat lower, rather than somewhat higher, than that of the year before. Before the end of the fiscal year we had, in fact, completed negotiations on several loans, aggregating over 90 million, the final signature of which had to be delayed for technical reasons in the borrowing countries which were entirely beyond our control. The important consideration, of course, is not the total volume of loans contracted within any given 12 months; it is the volume and the continuity of the flow of business through our institutions over a period of time. I am glad to be able to tell you, therefore, that the Bank—quite apart from IDA—is now handling more business than ever before in its history, and that I foresee no slackening of demand for Bank funds.

In this connection, let me assure the several Governors who commented on the point that we are fully determined that IDA resources shall not be used as a substitute for Bank lending but shall rather serve their intended purpose of augmenting the total flow of development capital from both institutions.

Turning now to the IDA itself, I was greatly encouraged to note the general agreement among almost all Governors who spoke that the Association has an important contribution to make and that its potentialities are not to be measured by the modest size of its initial resources. As I indicated in my annual address, the time is not far off when we must face up to the question of just what role we want IDA to play in the whole field of development assistance, and what are the nature and size of the funds which it will need to play that role. In my own view, IDA can be an instrument of immense value, and I hope and believe that in due course it will so evolve.

In at least one respect, namely the scope of IDA financing, the discussion revealed some misunderstanding of the policies which the Executive Directors have adopted, and I want to say a word about that. The IDA charter permits, as you know, the use of IDA's resources for any project "of high development priority." The Executive Directors and management are determined to make full use of the broad authority thus conferred upon us. In the economic sector, our financing will not be confined to so-

called infrastructure projects—we have already in view, for example, projects to finance an industrial development bank, an industrial estate, and irrigation and other agricultural projects. And we expect to be active in other sectors: in the field of water supply, for example, where the projects are often designed for both productive and public health purposes; in the challenging field of education and technical training; and in several other fields as well. But let me add one thought. The selection of the projects which IDA finances is the result of a process of consultation and mutual agreement; we can only finance projects when both we and the Government concerned are satisfied that a high development priority will be served. It is thus a mutual responsibility resting not only upon IDA but equally upon the recipient governments to use ingenuity and broad judgment in selecting for IDA financing those projects, whatever their nature, whose effective contribution to development is likely to be greatest.

And that brings me to an important point. Several Governors have urged that IDA be administered in accordance with the dictates of our hearts. If what is meant is that, in using IDA resources, we must constantly have in mind the ultimate objective of improving the standards of life of the peoples of the underdeveloped world, I am in full agreement. But if the meaning is that we should substitute our hearts for our heads in investing IDA resources, I could not disagree more completely. For the one lesson of experience that more than any other has been borne home to me over the years is that the surest way of defeating our ultimate development objective is to use carelessly or ineffectively the scarce resources which have been entrusted to us. To finance a project that is not technically or financially sound, or which has a low development priority, or which has not yet been worked out to the point where its successful execution is assured—to do any of those things because we allow the urgency of the development need to becloud sound judgment—is, I suggest, to betray the responsibility that is ours. For let us never forget that money provided to the less developed countries buys nothing lasting for the peoples of those countries except as it is effectively invested either in additional physical facilities or, even more important, in the improvement of human resources. That is why we have insisted, and will continue to insist, on the same high standards of investment for projects financed with IDA funds as for those financed with Bank resources.

We recognize, of course, that no matter how successful we are in achieving high standards of investment, we will not adequately meet the needs and problems of our less developed members by project financing alone. Indeed, looking back upon the record of the Bank, the striking feature to me is how steadily we have evolved from what was at first essentially just a project financing agency into the more rounded family of development institutions that we have by now become. To the tool provided by the Bank's financial resources, we have over the years added other instruments of development: technical assistance and training programs; IDA and IFC; the mobilization and coordination of finance from many sources; advisory services of an ever increasing variety. But though we have traveled far, we are quite aware of our inadequacies in relation to the magnitude of the development task. We know that the road ahead is long and hard, but I am convinced that we are moving in the right direction. Given your help and support, we shall continue to press forward along that road and we accept with high hope the challenge it presents.

It remains for me only to say goodby to you all and to wish each of you a safe journey home.

At It Again

EXTENSION OF REMARKS
OF
HON. STEVEN B. DEROUNIAN
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Wednesday, September 27, 1961

Mr. DEROUNIAN. Mr. Speaker, some weeks ago I pointed out how Richard Goodwin, presidential White House assistant, was running a one-man State Department on Latin America and about his "chance meeting" lasting almost 3 hours—with Guevera, Castro's Communist economic minister. It seems that Mr. Goodwin has not learned his lesson as yet and is now holding diplomatic hands with one Rodriguez, another outstanding Communist member of Castro's revolution.

The American people have a right to demand that the President put his house in order and one way to do that it to squelch these puerile undertakings by Mr. Goodwin and let Secretary of State Rusk be in fact the Secretary of State.

The article by Robert S. Allen and Paul Scott in the September 25 issue of the Long Island Daily Press elaborates on the subject:

GOODWIN AGAIN ON THE PAN
(By Robert S. Allen and Paul Scott)

WASHINGTON.—Richard Goodwin, 29-year-old White House expert on Latin America, is still operating like a one-man State Department.

He is carrying on his own secret negotiations with Communist leaders in Cuba despite howls of protest from the State Department.

Goodwin, who held a chance meeting with Ernesto (Che) Guevara, Castro's Communist economic czar, in Argentina last month, had an unannounced rendezvous with Carlos Rafael Rodriquez, editor of the Communist newspaper Hoy.

Neither Goodwin nor Rodriguez are talking about their mysterious meeting although it has already produced some very explosive results.

For instance, Rodriguez, on returning to Havana, narrowly escaped assassination by a group of assailants that shot up his car while he was traveling along the Via Blanca.

The Castro government blames the Central Intelligence Agency for the attempt on Rodriguez's life. However, reliable U.S. intelligence sources claim that the assailants were anti-Castro underground fighters.

Word of the Goodwin-Rodriguez meeting has caused a group of responsible Senators to consider the recall of Goodwin for a second round on his one-man foreign policy operations.

A Senate Foreign Relations subcommittee headed by Senator WAYNE MORSE, Democrat, of Oregon, already has questioned Goodwin about his meeting last month with Ernesto (Che) Guevara, Castro's Communist economic czar, at the recent Inter-American Economic Conference at Punta del Este, Uruguay.

During the private Morse inquiry, Goodwin passed off his conference with Guevara as a chance meeting when both men met at a diplomatic reception.

However, Goodwin's followup meeting with Rodriguez, along with new evidence that the conference with Che was anything but a chance get-together is causing the Senators to take another look at Goodwin's activities.

One Senator's inquiry at the White House brought back word from President Kennedy that Assistant Secretary Robert Woodward is the responsible officer on Latin American affairs.

Meanwhile, at the State Department an aid to Woodward reports that "the situation is intolerable. Something is going to have to give pretty soon." He reports that Goodwin continues to take on problems of Latins who bypass the State Department and come directly to him.

Note: Rodriguez, a Havana University professor, is the senior official of the Integrated Revolutionary Organization (the nucleus of Cuba's new, single party) in addition to being editor of Hoy.

St. Louis Globe-Democrat Asks "Aid to Children—Not Parents"

EXTENSION OF REMARKS
OF
HON. THOMAS B. CURTIS
OF MISSOURI
IN THE HOUSE OF REPRESENTATIVES
Wednesday, September 27, 1961

Mr. CURTIS of Missouri. Mr. Speaker, in its September 27 issue, the St. Louis Globe-Democrat contains an editorial supporting a bill which I have introduced to combat the abuse of the aid-to-dependent-children program for assisting illegitimate children. This is a serious problem and I appreciate the Globe-Democrat's concern and support for my proposal. In essence it is to give an option to the State to weigh the value of a moral home atmosphere and the value of keeping a child with its natural mother, where these conflict. I should like to place the editorial from the St. Louis Globe-Democrat on this question in the RECORD at this point:

AID TO CHILDREN—NOT PARENTS

Congressman THOMAS B. CURTIS has made an attempt at solving one of the most difficult problems that face social workers, or society.

That is, how to help children born out of wedlock, without encouraging the mother to bear more illegitimate offspring.

Critics of the aid to dependent children program often say that it encourages loose women to bring children into the world without a husband, simply to collect ADC benefits. But doing away with the benefits, others point out, punishes the child more than the parent.

Congressman CURTIS has introduced a bill which would permit the States to deal more effectively with this problem. It would enable them to take a child away from the mother, if the home environment is immoral or amoral.

The child could be placed in a foster home, or public institution, and ADC payments would go to the foster home or institution—instead of the guilty parent.

CURTIS said:

"Aid to dependent children is to help the children, not the parents. Whenever possible, a child should be kept with the parent. The guiding star should be healthy, moral home environment for the child.

"But there is disagreement in what constitutes healthy, moral home environment. I believe a second illegitimate birth by a mother is persuasive evidence that a home, run by that mother, constitutes an immoral atmosphere."

"It does not mean, and should in no sense mean, that aid to the illegitimate children should be cut off. It simply means that the payments for the children should no longer be made to the mother, but should be made to an appointed curator, and paid over to the person or institution which provides the child, or children, with the healthy and moral home atmosphere.

As of late 1958, there were 745,000 American families receiving aid to dependent children. Of that number, almost 150,000, or about 1 out of 5, were cases where the father and mother of the children were not wed.

Mr. CURTIS' bill is one way to end this abuse of the ADC program.

Public Works Appropriation Bill

SPEECH
OF
HON. J. FLOYD BREEDING
OF KANSAS
IN THE HOUSE OF REPRESENTATIVES
Tuesday, September 26, 1961

Mr. BREEDING. Mr. Speaker, I wish to express to the members of the conference committee on the public works appropriation bill the appreciation of the people of western Kansas for their consideration of flood control and reclamation projects in our State.

In a semiarid area, such as western Kansas, we are plagued by either too much water for a brief time, or too little moisture over long periods of time. That is why we are so vitally interested in projects which are designed to conserve our water resources and make them available for progress and growth.

I know I express the sentiments of all of our people when I say that I deeply regret that the conferees did not see fit to retain in the bill a $400,000 appropriation to begin construction on the Glenn Elder reclamation project. I know the money could have been put to wise use to get this urgently needed project underway. The conferees recognized the importance of the project by including in the conference report $199,000 to carry forward the preconstruction planning studies. It is my understanding that plans for the dam and reservoir are complete, and I am confident the committee will give favorable consideration to construction money in the next budget.

The people of western Kansas are likewise grateful to the committee for including $215,000 in planning money for the Kanopolis unit, and $58,500 for the Wilson unit.

These two units, when built, will provide irrigation for about 41,500 acres from reservoirs built and now being operated by the Corps of Engineers. There is a dependable water supply. The only remaining tasks are to provide the irrigation canals, laterals and drains.

Also, Mr. Speaker, I wish to thank the conferees for their consideration in making $3,305,000 available for carrying on construction work on the Almena unit in Norton and Phillips counties. This project is going to be a valuable asset to Kansas when completed, providing as it will irrigation for more than 5,000 acres, flood controls, recreational facilities and a dependable water supply for the city of Norton.

The $1,493,000 appropriated for the Cedar Bluff unit will carry this project well toward completion, expected in 1965.

The civil functions section of the Bill included $3,200,000 for Wilson Dam and Reservoir on the Saline River in Russell County. This is the second appropriation for construction and indicates the committee is determined that the project shall be carried on to completion in an orderly manner.

There are three other relatively small yet very important flood control projects now under investigation by the Corps of Engineers, and when they are submitted I am sure the House Public Works Appropriations Subcommittee will give them its usual careful and sympathetic consideration.

The proposed projects are on the Arkansas River at Dodge City and Great Bend and on the Cow Creek downstream from Lyons, with particular reference to a drainage problem near Sterling.

Panama Canal Treaties: Total Revision Demanded in Panama

EXTENSION OF REMARKS
OF
HON. DANIEL J. FLOOD
OF PENNSYLVANIA
IN THE HOUSE OF REPRESENTATIVES
Wednesday, September 27, 1961

Mr. FLOOD. Mr. Speaker, over the past few years, I have made many addresses, in and out of the Congress, and issued numerous press releases on the subject of the Caribbean danger zone, in which the Panama Canal is a key target.

As the result of long study of the subject, it has been possible to predict events long before they occurred and to give timely warning to the Congress and other proper authorities. Although my worst fears have been more than justified, any satisfaction that may be derived from having been accurate in prediction is a sterile one.

Mr. Speaker, I would emphasize that the end of the deteriorating situation in the Caribbean is not yet in sight. In Cuba, there is a Soviet satellite and recently on the opposite side of that strategic sea it has found a counterpart in British Guiana, forming part of the Red link now being forged in the Caribbean.

The latest news from the isthmus is that the Republic of Panama is making ready to demand a total revision of the Panama Canal treaty structure, which I have long foreseen, and have repeatedly endeavored to meet with a valid program to safeguard our vital interests .

In order that the Congress, the Executive, and the Nation at large, may be fully informed, I quote a recent feature story in an influential Isthmian newspaper and my own press release of September 7, 1961, which follow:

REPUBLIC OF PANAMA MAY SEEK BIG HIKE IN CANAL ZONE ANNUITY—PANAMANIAN FLAG IN ZONE COULD ALSO BE TREATY BID

Panama will seek a massive increase in the annuity the United States pays for the use of the Canal Zone when President Roberto F. Chiari's administration makes its bid for "total revision" of the United States-Panama treaties governing the Panama Canal, informed sources believed today.

Leading Panamanian officials have frequently said the present $1,930,000 annuity is unrealistically low for a reliable, commercial enterprise in an age when the United States is expending billions around the globe on projects which are nebulous by comparison.

President Chiari is expected to catalogue Panama's claims in his State of the Nation address at the October 1 opening of the new session of the National Assembly. At his press conference yesterday he confined himself to saying that he would seek an increase in the "direct benefits" Panama's economy derives from the canal.

Second Vice President Jose D. Bazan has given some indication on administration thinking regarding the $1,930,000 Canal Zone annuity when he compared it to the $8 million plus which the United States pays Libya for the use of a single airfield—Wheelus.

Some officials have indicated informally that $10 million might be regarded as an acceptable Canal Zone annuity for the time being, but there is general unwillingness to give any advance line on Panama's bid before the hard bargaining begins.

During his victorious Presidential campaign Chiari also declared himself in favor of the Panamanian flag flying beside the Stars and Stripes wherever the U.S.-flag is flown officially on the Canal Zone. It is therefore regarded as probably that this will be among Panama's claims.

But yesterday the President limited himself to saying: "We must reach a position in which we have no more claims to make. For this, total revision (of existing treaties) is necessary."

It is understood that while Panama has not yet formally communicated its call for treaty revision to Washington, U.S. officials have been told that such a call is coming up.

Presumably an official request for recogition of the treaties would follow Chiari's state on the nation address.

The most recent treaty governing United States-Panama relations was the Remon-Eisenhower treaty, signed in 1955. A principal provision of this treaty was the increase of the annuity by $1,500,000 from $430,000.

The original United States-Panama treaty is dated 1903, shortly after Panama won its independence from Colombia. Revisions were incorporated in the 1936 treaty, negotiated during the administration of President Harmodio Arias.

Independent estimates have put the Panama Canal's total direct and indirect annual contribution to the economy of Panama at about $60 million, or a sum roughly equivalent to the country's national budget.

However, this total includes many items which could not be expected to be included in Chiari's list of "direct benefits."

The President charted Panama's economic dependence on the canal yesterday by tracing the fluctuation in the average per capita income in Panama.

This figure stood at $380 in 1945, when the U.S. Military Establishment in the Canal Zone remained close to its wartime peak.

Came 1951 and the rundown of the Canal Zone military to peacetime normalcy, the average annual per capita income in the republic had fallen to $317.

It was only in 1959, after 14 years of effort to strengthen Panama's peacetime economy, that the average per capita income edged back up to the $380 of 1945.

Chiari revealed that his administration has set itself the target of boosting this figure by $10 yearly from here on out.

Means to achieve this aim include:

Wider distribution of the national income. Chiari has frequently said that Panama's rich should do more to share the nation's bounty with the poor.

A development program encouraging private initiative, rather than by supplanting it with the government's own efforts.

The construction of 10,000 housing units by the government over a period of 5 years—a total investment of $34,250,000.

The building of a number of new hospitals and health centers throughout the country, including a regional hospital at Aguadulce, a new psychiatric hospital and a colony for the mentally ill at Los Santos and the enlargement of the Santo Tomas Hospital at a total cost of $16,718,000.

Completion of the Inter-American Highway and the construction of 12 feeder roads (the third phase of the government's road plan) at a total cost of $76,120,000.

Electric power for interior communities and rural areas of Panama and Colon at a total cost of $24,985,000.

Industrial survey, promotion and financing to the tune of $4 million.

The construction of a number of hotels and beach resorts as tourist attractions.

An increase in agricultural production through rural credit organizations with emphasis on the cultivation of rice, corn, grain, coffee, and cattle raising. Total cost, $7,125,000.

President Chiari also revealed that:

1. The budget for the coming year would be $65 million.

2. The deficit up to the end of August was $9.9 million, but the administration was confident of reducing it to $2.5 or $3 million by the end of the year.

3. There would be no cabinet changes for the present, although Minister of Labor, Health and Social Welfare Dr. Sergio Gonzalez Ruiz has signified his intention of returning to his medical practice upon his return in 6 weeks from a social security conference in Turkey.

4. The determination of his government to take over the printing of the lottery tickets.

CARIBBEAN DANGER ZONE: PROGRAM FOR ITS SECURITY

(By Congressman DANIEL J. FLOOD, of Pennsylvania)

The pro-Communist election victory in British Guiana on August 21, followed by vicious attacks on the United States in the U.N. on August 24 by Fidel Castro's Cuban delegate about our Guantanamo Naval Base and by the Soviet delegate about our military bases in Puerto Rico, have again focused world attention on the Caribbean danger zone immediately to the south, despite high tensions over Berlin.

With Cuba already a Soviet satellite and British Guiana as a new one, both flanks of the Atlantic approaches of the Panama Canal are covered by Communist beachheads, advantageously located for the next steps in the long-range plan for Caribbean conquest through the processes of infiltration and subversion.

The key targets in this plan are the strategic, historic isthmian canal route areas; Panama and Nicaragua.

In Panama, our legal position, weakened on September 17, 1960, by an ignominious surrender to radical elements to fly the flag of Panama over the Canal Zone territory, is under continuous attack by the same forces, at times requiring strong handling by the Government of that Republic. In Nicaragua, the United States is well supported, which fact has also made the humane government of that country a prime object for subversive attack. Thus, the ring around the Caribbean is being rapidly forged to make that sea a Red lake.

The program that would adequately meet the Caribbean crisis is:

1. Making definite and reaffirming the principles of the Monroe Doctrine as applying to intervention in the Western Hemisphere by subversive forces known as the international Communist conspiracy.

2. Making definite and reaffirming U.S. policies for exclusive sovereign jurisdiction over the Panama Canal.

3. Forming an adequate Caribbean Patrol Force on a permanent basis.

4. Upholding exclusive U.S. control over the Guantanamo Naval Base and retaining the Connally amendment unimpaired.

The time for action by the Congress and the President in these policy matters has come. If not taken before adjournment the same influences that led to striking the U.S. flag in the Canal Zone will again have unrestricted freedom and can be counted upon to bring another ignominious surrender. If the United States flag is struck at Guantanamo our country will lose the Panama Canal.

I urge all Americans and patriotic organizations to write or wire their views on these questions immediately to their Senators and Representatives, the Secretary of State, and the President, and, after adjournment of the Congress, to follow through with personal and group interviews.

Duplicity in the Peace Corps

EXTENSION OF REMARKS
OF
HON. STEVEN B. DEROUNIAN
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Wednesday, September 27, 1961

Mr. DEROUNIAN. Mr. Speaker, I was shocked by the deletion of the provision of the Peace Corps legislation which materially affects the composition of the groups sent to the Arab and other countries, action which is a further indication of the duplicity practiced by the Democratic Party and on September 21 wired President Kennedy concerning this, as follows:

SEPTEMBER 21, 1961.

The PRESIDENT,
The White House,
Washington, D.C.:

I am shocked by the action of the House of Representatives deleting from the Peace Corps legislation the provision that "the Peace Corps shall not perform services in any foreign country in which, by reason of law or official policy, any member of the Peace Corps will be discriminated against because of his race, creed, or color." The deletion of this provision will materially affect the composition of those groups sent to the Arab and other countries. You have repeatedly stated, before you were President and thereafter, that you are against any action of discrimination because of race, creed, or color. Do you intend to approve this legislation?

Respectfully,

STEVEN B. DEROUNIAN,
Member of Congress.

How You Can Help the Communists

EXTENSION OF REMARKS
OF
HON. MORRIS K. UDALL
OF ARIZONA
IN THE HOUSE OF REPRESENTATIVES
Wednesday, September 27, 1961

Mr. MORRIS K. UDALL. Mr. Speaker, I just obtained a copy of the excellent document "The Communist Party Line" prepared for the Senate Committee on the Judiciary. In this publication Mr. J. Edgar Hoover, one of the most respected of Americans, concluded his statement on the Communist menace in these terms:

Unfortunately, there are those who make the very mistake the Communists are so careful to avoid. These individuals concentrate on the negative rather than on the positive. They are merely against communism without being for any positive measures to eliminate the social, political, and economic frictions which the Communists are so adroit at exploiting. These persons would do well to recall a recent lesson from history. Both Hitler and Mussolini were against communism. However, it was by what they stood for, not against, that history has judged them.

In this connection I insert herewith an excellent editorial of September 23, 1961, by Mr. Jones Osborn, editor and publisher of the Yuma Daily Sun:

HOW YOU CAN HELP THE COMMUNISTS

"There is probably no significant section of the American public—regardless of age, race, social standing, occupation, or political orientation—whose interests have not coincided, on occasion, with one or more of the Communists' immediate demands."

This plain statement of fact comes from J. Edgar Hoover, Director of the Federal Bureau of Investigation. It is part of his warning that no section of the American public should ever be branded communistic merely because their interests happen to be the same as some Communist interest at that particular moment.

Mr. Hoover points out that it is, in fact, an established tactic of the Communist Party to adopt immediate demands "which often coincide with the desires of many loyal, respectable citizens."

The FBI Chief says that "the danger of indiscriminately alleging that someone is a Communist merely because his views happen to parallel the official (Communist) party line is obvious."

On this small point, we have to differ in a minor degree with the FBI Chief. The danger of which he speaks should be obvious, yes. But judging from the reckless manner in which too many Americans have tried to pin the Communist label on other Americans (especially those who disagree with them), we would say the danger is not nearly obvious enough. Either that, or the name callers deliberately stoop to name-calling and risk the obvious danger.

What is this danger of which Mr. Hoover warns?

He says, "The confusion which is thereby created helps the Communists by diffusing the forces of their opponents." In other words, reckless name calling confuses the public, which comes to wonder who the enemy really is. Thus the victims of name calling lose their effectiveness as leaders and loyal, respectable citizens are thereby divided and weakened.

Mr. Hoover's warning against reckless name calling is expressed in a document entitled "The Communist Party Line." It was prepared by him at the request of the U.S. Senate Internal Security Subcommittee. In making the document public, Committee Chairman JAMES O. EASTLAND termed it "the wisest and most penetrating treatment of the party line that I have ever read."

Mr. Hoover offers another warning, of particular interest in these troubled times. He warns that being merely against communism without being for any positive measures to improve conditions which the Communists attack is not enough. He said we would do well to recall a recent lesson from history. "Both Hitler and Mussolini were against communism," he reminds us. "However, it was by what they stood for, not against, that history has judged them."

Mr. Hoover's warning is welcome, in times when anticommunism shows signs of becoming a professional way of life in itself. Anticommuinsm alone, as the FBI Chief warns, is just not enough to build a better America. In the meantime, if you want to help the Communists, try reckless name calling.

House Resolution 211—Special Committee on Captive Nations

EXTENSION OF REMARKS
OF
HON. DANIEL J. FLOOD
OF PENNSYLVANIA
IN THE HOUSE OF REPRESENTATIVES
Wednesday, September 27, 1961

Mr. FLOOD. Mr. Speaker, on March 8, 1961, I introduced a measure calling for the establishment of a Special Committee on Captive Nations in the House of Representatives. This measure is now House Resolution 211. There are not sufficient words to express my profound gratitude and personal delight to the more than 20 Members of the House who joined with me in that most stimulating and very enlightening discussion which took place then on the subject of the captive nations—CONGRESSIONAL RECORD, March 8, 1961, "Russian Colonialism and the Necessity of a Special Captive Nations Committee," pages 3286–3311.

The popular response to House Resolution 211 has been so enthusiastic and impressive that I feel dutybound to disclose the thoughts and feelings of many Americans who have taken the time to write me on this subject. These citizens are cognizant of the basic reasons underlying the necessity of the proposed committee. They understand clearly the vital contribution that such a committee could make to our national security interests. In many cases, they know that no public or private body is in existence today which is devoted to the task of studying continuously, systematically, and objectively all of the captive nations, those in Eastern Europe and Asia, including the numerous captive nations in the Soviet Union itself.

Because their thoughts and sentiments are expressive and valuable, I include the following responses of our citizens to House Resolution 211 in the Appendix of the RECORD:

SEPTEMBER 22, 1961.

Hon. DANIEL J. FLOOD,
House of Representatives,
Washington, D.C.

DEAR MR. FLOOD: I wish to call your attention to a group that marched in the American Legion's national parade here September 11. Thirteen captive nations were represented in the parade by their national colors. It was an impressive sight, although it did not receive the publicity in Denver's daily newspapers that such an event ought to evoke.

This display of the national flags of the captive nations can be of great moral support to those victimized by Communist Russia. I can only hope that if House Resolution 211 is passed, that you will consider the display of these flags worth recommending through your Special Committee on Captive Nations.

I am enclosing herewith the publicity given this event in the Denver Catholic Register of September 7, 1961.

Sincerely,

BOB RAMSEY.

LEGION PARADE TO FLY CAPTIVE NATIONS' FLAGS

The national flags of 13 captive nations of Soviet Russia will be represented in the parade of the American Legion in Denver on Monday, September 11.

The flags, to be carried by airmen from Lowry Air Force Base, will be one of the groups comprising the marching units of Leyden-Chiles-Wickersham Post 1, Denver.

The captive nations that will be represented in the parade are Albania, Bulgaria, Byelorussia, Cossackia, Czechoslovakia, Estonia, Georgia, Hungary, Latvia, Lithuania, Poland, Rumania, and the Ukraine.

The idea for having these captive nations represented in the Legion's parade originated with Bob Ramsey, a member of the editorial staff of the Denver Catholic Register.

A member of Denver's Legion Post 1, Mr. Ramsey suggested the idea to James P. Eakins, head of the post's Americanism committee, after corresponding with Lev E. Dobriansky, the originator of the captive nations resolution.

This resolution was made a law of the land in 1959. Since then Captive Nations Week has been observed throughout the United States every year in July.

FLAGS WILL HONOR CAPTIVE NATIONS

(By Bob Ramsey)

Toward the end of an estimated 10-hour American Legion parade in Denver September 11 will come a banner flanked by two U.S. flags. That banner will proclaim: "The American Legion Salutes the Captive Nations," and behind it will follow 13 national flags of nations now under the despotic control of Soviet Russia.

It is the hope of the American Legion, as it is of the free world, that all captive peoples regain their liberty, which is brutally suppressed under the heel of communism. The exhibition of these 13 flags will be a public expression of that hope.

We can see the significance in this act by recalling the dignity reserved for our own national emblem—the Stars and Stripes. It has a long and glorious history. It has symbolized our ideals, inspired our poets, and covered our dead.

And so it is with the captive nations. Each has its traditions, cultures, and national emblems. Separate as they are from those of Soviet Russia, it is, nevertheless, the hammer and sickle that supposes to represent these peoples.

Nowhere is this more evident that in the non-Russian nations within the borders of the Soviet Union. Many, if not most, maps fail to show the national boundaries of such independent nations as Cossackia, Byelorussia, and Ukraine.

Russia has tried to create the illusion that she represents these and other independent republics in the Soviet Union. But she does so in vain. Despite long years of occupation and terror, despite plunders and persecutions these nations continue to retain the unconquerable determination to live in freedom and peace.

Any show of nationalism by captive countries, however, especially the public display of their national flag, is ruthlessly suppressed. Their only hope is that we of the free world will not forget them or the goals they seek to attain.

Let these flags of captive peoples then fly in the land of the free until they can be flown without fear in the countries they represent.

The American Legion salutes the captive nations and urges support and recognition of their people. It is our hope that all U.S. organizations, big and small, will join in this recognition of the captive nations in some way, if not by displaying their national flags in public ceremonies.

Let Khrushchev and his cohorts learn that even though they can plunder nations, they cannot and will not conquer the souls of their slaves or the symbols they use to advance the will to be free.

SEPTEMBER 18, 1961.

DEAR SIR: I have recently read about a bill which you have proposed—House Resolution 211. I wish to commend you for it—it should provide the captive nations with a new hope; even those people in East Germany I would include in this category. I shall write my Congressman, HAROLD JOHNSON, and urge him to support it. I am shocked by many of our leaders who do not speak out strongly against the Russian domination of these people; this talk of "colonialism" by the Russians is ridiculous, when they are practicing a more ghastly brand of colonialism than the world has ever seen.

Keep up the good work—you truly represent the American people with such thinking as this. Help keep us strong by not catering to this type of reasoning.

Sincerely,

Mrs. THOMAS G. ROSS.

SEPTEMBER 18, 1961.

CONGRESSMAN DANIEL FLOOD: I am in favor of your Committee on Captive Nations which you to trying to form. Our country is in dire need of such a committee since nothing is visably being done to help captive nations. Best of luck and most of all keep fighting.

Yours truly,

GERRY ANN DRUMHELLER.

[From the Ukranian Weekly, Sept. 23, 1961]

WASHINGTON, D.C.—U.S. Senator PRESCOTT BUSH said recently "that America's determination to live up to its commitments on Berlin must be made crystal clear to the bosses in the Kremlin."

Senator BUSH, in a discussion with Lucian Daum of Hartford, chairman of the Connecticut observance of Captive Nations Week, pointed out that the Soviet Ambassador to the United States has expressed doubt about the willingness of this country to fight for Berlin.

"This is dangerous thinking by the leaders of the Soviet Union, as it might lead to a miscalculation which could bring on a disastrous conflict," said the Connecticut Senator, a member of the Senate Armed Services Committee.

Asked by Mr. Daum how the Berlin crisis should be met, Senator BUSH replied:

"This Berlin crisis points up the major issue of our lifetime, which is this: Are we going to live in a world of law and justice for men on earth, or are we not? Are we going to live in a world where men are enslaved by other men? This is the big issue that Berlin is only a symbol of, so to speak. And that is why it is an absolute essential that we, the United States and our allies of the West, stand firm on Berlin."

Mr. Daum agreed with Senator BUSH that the United States should point up more aggressively the fact that Communist imperialism has created a new kind of colonalism.

"At a time when Western colonialism is diminishing rapidly," Senator BUSH said, "the captive nations of Eastern Europe are the victims of a colonialism more brutal and more far-reaching than the world has ever known. Soviet colonialism extends to Poland, Lithuania, to Ukraine, East Germany, to Czechoslovakia, Hungary, Latvia, and Rumania and Albania.

"And in addition to these countries, communism has enslaved the peoples of Tibet, and North Vietnam, and North Korea, and Cuba, just 90 miles off the shores of the United States. So Captive Nations Week is not an empty gesture. Rather, it is a time for us to rededicate oursleves to the universal principles upon which our own beloved land was founded."

Mr. Daum pointed out that all Americans ought to remember that "Russia is guilty of genocide, committed against the population of the Baltic States, the Poles, the Ukrainians, Hungarians, and other nations, forcibly incorporated into the Soviet Union."

Part of the transcript of the discussion, which was broadcast by Connecticut stations July 20–23, 1961, follows:

"Senator BUSH. Mr. Daum, from your contact here in Connecticut and abroad—do you think that the people behind the Iron Curtain know about this Captive Nations Week observance that we are having in the United States? And if so, do you feel that it is effective in keeping hope alive in their breasts that one day they may regain their freedom?

"Mr. DAUM. Yes, Senator, I am quite sure—they have the opportunity to listen to Radio Free Europe, letters from here, visitors from Poland. You may count on it that the captive nations are looking up to us if we are willing to act accordingly to what we are preaching.

"Senator BUSH. Well, Mr. Daum, do you feel that the United States should be more aggressive in fighting this issue of colonialism? Remember last fall the U.N. by a vote of 86–0 adopted a resolution condemning colonialism, and the Soviet Union is using this resolution in its own campaign against the West in the cold war. Since the Soviets supported the resolution, do you believe that the U.S. delegation to the United Nations should aggressively point out that the Communist empire has enslaved once-free nations in Europe, and made them, in effect, colonies of the Communist empire?

"Mr. DAUM. Certainly, Senator BUSH, because we should bring to the attention of the whole world that the Russians are just making doubletalk. The Eastern European nations have, through the centuries, been natural barriers and it would protect Europe from invasion from Asia, like the Tartars, Mongols, Turks, etc.; but at the same time if we mean business, we can only call for uprising behind the Iron and Bamboo Curtains if we are certainly prepared and want to support them all the way through militarily and economically. Otherwise, we can't call for any uprising and we also cannot afford any mistakes as in Hungary and Cuba. A right decision of firmness on Berlin should be extended with a military and economic plan for the liberation of the captive nations. Let us not forget that the Russians realize that they cannot trust the captive nations, or their armies.

"Senator BUSH. You think that future uprisings, such as the Hungarian uprising of 1956 and other uprisings in Poland and East Germany that we recall so well—do you think that the West need to encourage these uprisings behind the Iron Curtain—do you think they need support from us?

"Mr. DAUM. No, they don't need any support, any call to throw off communism; but one thing we have to make sure—that we will support them completely—even with our Armed Forces if necessary."

DEAR CONGRESSMAN: This is to express my support of a Special House Committee on Captive Nations—House Resolution 211.

MAMIE MAHONEY.

Creating a Patsy

EXTENSION OF REMARKS

OF

HON. STEVEN B. DEROUNIAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 27, 1961

Mr. DEROUNIAN. Mr. Speaker, I am sure that President Kennedy's education at the famous Fabian Socialist London School of Economics has served him well when he tries to tell the American people that costs of production can be raised without increasing the cost of the product.

This fancy theory is discussed in the following article by Donald I. Rogers which appeared in the September 26 issue of the New York Herald Tribune:

CREATING A PATSY

(By Donald I. Rogers)

President Kennedy, accepting the word of his economic advisers, assumed that the steel companies could make a "good profit" without an increase in prices in spite of the fact that the companies are being obliged to grant wage increases under terms of the contract signed at the close of the devastating strike.

He has now learned, however, that major steel producers refuse to pledge to hold the price line in the face of rises in operating costs. Ten of the leading steel companies have told him that they cannot be party to an agreement with the White House to forego price rises if they are necessary.

It was a hard lesson for Mr. Kennedy to learn, though he has certainly handled his public relations well in making it appear that the bad bogeyman of inflation is a product of the wicked steel companies and not, of course, of the union which demanded the wage increases or of the Government which does nothing to limit inflationary policies and programs that are politically popular.

In a letter sent to the country's 12 leading steel manufacturers on September 6, the President declared a steel price rise would threaten economic stability and said his advisers believed expanding production would maintain a healthy profit level without increasing prices to offset the October 1 increase in employment costs.

The advisers, as the President now has learned, were dealing with industry averages, and "good profit" is a term that is, at best, mighty vague.

While the industry as a whole has profitable operations, the second largest company in the country hasn't made enough profit to cover its regular dividend for the last 6 months—even without the new wage increase. One major company—one of the recipients of the President's letter—has been operating in the red. Deep red. Another company, still profitable, has experienced steadily declining profits since 1955.

The view from the White House is a little different than the prospect from the front office window of a private corporation struggling in the competitive world. In a dog-eat-dog industry, there's no chance to back up and correct mistakes. You either survive or you don't. It's one thing to regard the industry as a whole, as the President of the United States sees it, but quite another to regard an individual corporation in that industry, as the president of a private company sees it. As a whole, the steel industry ranks 32d among 41 major manufacturing industries in profit realized on investment. In other words, only eight industries make less profit on investment and 31 industries make more profit on investment.

Some companies are in the red; some are breaking even; some are doing reasonably well, though hardly well enough to cause much excitement among investors in Wall Street. No company pays its dividends, replaces wornout equipment or expands by using industrywide averages. Each company must earn its own dollars, and some of them are not now doing that.

The administration advisers should have known—as the President has now learned—that an industry average of profits has no more relevance than the average height of our population when it boils down to an individual company's pricing decisions. Price policies in any company are not dreamed up; they are scientifically achieved.

What disturbs me most, however, is the spectacle of the President of the leading capitalistic nation in the world, speaking as though profits were unimportant to the Nation. Profits are most important. A President with any awareness of economics should know that; so, most assuredly, should his economic advisers.

First, an unprofitable company cannot provide its share of economic expansion to produce more jobs—a matter which, if I recall, the President does deem important. Second, many individuals and institutions have no other income than profits. Of further importance is the fact that the Government's own income depends to a large degree on the profitability of industry—for that's where the bulk of the tax collections originate.

I cannot believe that the President and his economic advisers do not know these verities. Thus I must conclude that all of this folderol was designed to help the President and the administraiton reap some political advantage. That advantage is clear.

Now the inflation which is bound to result from the Government's own cheap money policies, labor policies and spending programs, can be blamed on industry, that convenient whipping boy of every politician whose limitations preclude statesmanship. The steel industry has been picked for the patsy—the fall guy.

Hon. Paul Brown

SPEECH

OF

HON. O. C. FISHER

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Monday, September 25, 1961

Mr. FISHER. Mr. Speaker, I share the high respect that has been so ably and widely expressed for the late and

lamented Paul Brown. I always thought of him as being one of the most respected and honorable men I have ever served with in the House of Representatives. He was a great patriot, a loyal friend, and a valuable servant of the people.

To the family, I extend my deepest sympathy in their bereavement.

Summary of Findings and Conclusions of the Subcommittee on the National Labor Relations Board

EXTENSION OF REMARKS
OF

HON. ROMAN C. PUCINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 26, 1961

Mr. PUCINSKI. Mr. Speaker, I should like to call attention of my colleagues to the summary of findings and conclusions of the subcommittee which recently concluded its investigation of the National Labor Relations Board.

This subcommitee was authorized by the Honorable ADAM C. POWELL and the members of the House Committee on Education and Labor.

As chairman of this subcommittee, it is my hope that the National Labor Relations Board and the General Counsel will implement the findings of our subcommittee as quickly as possible. I believe the findings and conclusions of this subcommittee represent a sincere effort to make the National Labor Relations Board a more effective instrument for carrying out national labor policy in our country.

I do not agree with the views expressed in the minority report that our hearings were either a forum for criticism of the Board as constituted under the previous administration, or that our recommendations are a forerunner to the repeal of the Taft-Hartley Act.

Anyone who will take the trouble to study the transcript of proceedings of this subcommittee will find that the hearings were conducted in a completely impartial manner and that exceptional efforts were made to assure the minority on the subcommittee full opportunity to cross-examine at length those witnesses who had presented testimony criticizing Board procedures.

The transcript will further show that this subcommittee had analyzed procedures of the Board prior to the Eisenhower administration and that indeed the sole purpose of this investigation was to afford Congress an opportunity to review the operating procedures of this very important agency of Government established by an act of Congress.

As regards any suggestion that the findings and conclusions represent an effort to repeal the Taft-Hartley Act, anyone taking the time to read the subcommittee's report will have to conclude such a conclusion is totally unfounded. It would appear that those who make such suggestions have not read the subcommittee's recommendations.

As chairman of this subcommittee, I am in complete agreement with the Honorable ROBERT GRIFFIN, of Michigan, a member of the subcommittee, who, in his separate views of the report, stated that these hearings have served a useful purpose and that they can indeed serve as a basis for some constructive legislation.

The subcommittee's findings and conclusions follow:

ADMINISTRATION OF THE LABOR-MANAGEMENT RELATIONS ACT BY THE NLRB

(Summary of findings and conclusions of the Subcommittee on the National Labor Relations Board, House Committee on Education and Labor)

1. The subcommittee finds that in many areas and in many industries, the policy of the United States as set forth in the Labor Management Relations Act of 1947—to encourage the practice and procedure of collective bargaining—is not being effectuated. Despite over 25 years of statutory prohibition and widespread publicity, the number of unfair labor practices grows, rather than diminishes, and at an alarming rate. Some of the causes, and proposed remedies for this situation, are set forth below.

THE DELAY PROBLEM

A. In representation (election) cases

1. The subcommittee finds that it takes entirely too long between the petition for an election (to determine whether or not employees want to be represented by a union) and the actual holding of the election. In large part this delay stemmed from a bottleneck at the Labor Board level. This aspect of the delay problem promises to be alleviated by the delegation of authority put into effect on May 15 of this year which gives Labor Board regional directors final authority in these matters, subject to a discretionary right of appeal to the Labor Board.

2. The subcommittee finds that one reason for the delay in representation cases lies in the fact that the Labor Board permits time-consuming hearings when there is no seriously contested issue to be heard. The subcommittee recommends that the Labor Board give serious consideration to adopting pretrial investigatory techinques designed to prevent abuse of its processes by dilatory tactics in representation cases.

B. In unfair labor practice cases

1. The subcommittee finds that there is an unconscionable delay in the processing of unfair labor practice cases which renders final Labor Board decisions almost nugatory and futile. This delay stems in large part from the ever-increasing caseload of the Labor Board members and can be resolved, at least in part, by greater delegation of authority to the trial examiners who hear the cases. Therefore, the subcommittee recommends that the Labor Board give consideration to adopting regulations which would curtail the scope of the review in 'run-of-the-mill' cases and afford more time in the tough cases which call for thoughtful deliberation. The subcommittee suggests that the Labor Board study the practices of other agencies—the Atomic Energy Commission, the Civil Aeronautics Board, the Federal Trade Commission, the Department of Health, Education, and Welfare, etc.—which have adopted a restricted and discretionary type of review in comparable situations.

2. The subcommittee further finds that a partial reason for the caseload, and hence the delay in unfair labor practice cases, lies in the inadequate remedies of the Labor Board. Labor Board orders constitute in many situations no more than a "slap on the wrist." They are both too little and too late. They constitute, in the words of one witness, "a license fee for union busting." The subcommittee recommends that the Labor Board reconsider the problem of remedies with an eye to taking the profit out of unfair labor practices.

3. The subcommittee finds that the caseload of unfair labor practice cases, and hence the consequent delay, is caused in part by the fact that some attorneys actually advise their clients to engage in such practices. The subcommittee recommends that the Labor Board adopt regulations providing for the disbarment of such attorneys from further Labor Board practice for a period commensurate to the offense.

THE ENFORCEMENT AND REVIEW OF LABOR BOARD ORDERS

The subcommittee finds that there is much needless delay in enforcement of Labor Board orders. The losing party delays, lingers, and waits because disobedience of a Labor Board order is not punishable until it is enforced by court action. The subcommittee recommends legislation modeled after the provisions of the Federal Trade Commission Act, which would make violation of Labor Board orders punishable by contempt unless petition for judicial review is filed within a period of 30 days following issuance of the Labor Board order.

THE GENERAL COUNSEL AND THE ISSUANCE OF COMPLAINTS IN UNFAIR LABOR PRACTICE CASES

The General Counsel, by statute, is given absolute authority over the issuance of complaints in unfair labor practice cases. If he does not believe that a charge filed with him makes out a case, he can refuse to process the matter before the Labor Board and the charging party has no recourse, appellate or otherwise. Despite claims of elaborate precautions in the field and on appeal in Washington, to insure that all meritorious cases are processed, there is sufficient reason to conclude that the General Counsel, at least in the past, has taken only the "sure thing." This conclusion is fortified by the past refusal of the General Counsel to specify his reasons for refusal to process a case. The subcommittee acknowledges that the present General Counsel has almost doubled the number of complaints issued.

The subcommittee recommends that section 10(b) of the act be amended to provide that the General Counsel shall issue a complaint whenever he has reason to believe that a violation of the act may have occurred, and to require the General Counsel to serve on the charging party a summary report of his reasons for refusing to issue a complaint whenever he declines to do so.

USE OF INJUNCTIONS

A. Section 10(1): The mandatory injunction provision

The subcommittee finds that section 10(1) cases, once the court injunction has been issued, have not been expedited in the administrative process. The Labor Board Rules and Regulations require that such cases "shall be given priority" (sec. 102.97), but there are so many cases given priority that this is apparently meaningless. The subcommittee recommends that the Labor Board give these cases expeditious treatment by new devices and techniques such as: permitting the respondent to appeal directly to the Board on the basis of the facts found by the court which issued the injunction; by denying all requests for extensions of time; by curtailing the number of days permitted in filing complaints, answers, exceptions, and other legal documents; by establishing a special "expediting" section at the Board level for treating such cases.

This subcommittee further finds that the statutory provisions requiring, automatically, that the "officer or regional attorney" seek a court injunction whenever he has reasonable cause to believe a "charge" is true and that a complaint should issue, has resulted

in hardship in many situations. The subcommittee, therefore, recommends that the statute be amended so as to give the Labor Board officials opportunity to exercise their discretion in whether or not to petition for the issuance of a court injunction.

B. Section 10(j): The discretionary injunction provision

The names of Norris and LaGuardia are constant reminders of the dangers inherent in conducting labor-management relations by way of injunctions. Nevertheless, this subcommittee finds that injunctions are now utilized extensively against union activities and to an almost nonexistent extent against employer unfair labor practices. Failure to utilize the 10(j) discretionary injunction often results in irreparable injury. This subcommittee, therefore, recommends that the Labor Board give careful consideration to greater utilization of the 10(j) injunction in situations when unfair labor practice charges are filed and the Board finds reasonable cause to believe that such unfair labor practice is continuing and will be continued unless restrained, and will cause irreparable property or personal injury or injury to the exercise of rights guaranteed by section 7. Illustrative are the situations of flagrant and aggravated acts of picket line force and violence, the situations of repeated discharge of union adherents, the situations where employers or unions flagrantly refuse to bargain in good faith, and the situations wherein the employer threatens to intimidate his employees by closing the plant or shifting work to affiliated factories.

PROBLEMS OF FREE SPEECH

A. The use of "race-hate" speech

This subcommittee condemns the utilization of "race-hate" propaganda in connection with labor-management disputes. There has been considerable testimony that such appeals to "race hate" are in violation of section 8A1 of the Labor Act and should be held as an unfair labor practice by the Board. However, other witnesses, equally critical of "race hate" appeals, raised the question whether the constitutional guarantee of free speech protected such utterances, contemptible as they may be, and questioned whether such appeals could be held to constitute an unfair labor practice under 8A1. The committee recommends that the Labor Board provide an adequate opportunity for this matter to be resolved by the U.S. Supreme Court. Meanwhile vigorous enforcement of the President's policy to refrain from contracting with employees who discriminate in employment would go a long way toward discouraging such appeals.

B. The captive audience

The subcommittee finds that in many situations the employer utilizes the "captive audience" technique to present his views to his employees on company time and on company property; and that in contrast, the union is deprived of all effective techniques and media for communicating with the employees. This prevents a full discussion and a full understanding of the issues, and effectively deprives employees of their rights to self-organization. The subcommittee recommends that the Labor Board reexamine its Livingston Shirt doctrine with an eye to adopting a policy of equal opportunity in presentation of issues. Should the employer choose to march his employees to a captive audience meeting, the union should be allowed equal time in discussing the issues. Should the employer choose to mail out literature to all his employees, the union ought to have the right to have its views mailed to the same employees by the employer at the union's expense. The Landrum-Griffin amendments of 1959 require more than this equality and fairness in internal union elections. A representation election ought to be conducted with the same degree of fairness.

Community Pressure

The subcommittee finds that community pressure often denies citizens of the United States of "rights, privileges, or immunities secured by the Constitution and laws" and that this deprivation often occurs "under color of statute, ordinance, regulation, custom or usage." It follows that the situation can best be handled under the Civil Rights Statutes, and this subcommittee recommends that whenever an appropriate situation be raised in a Labor Board proceeding, that the Labor Board inform the Department of Justice of this fact.

The subcommittee further recommends that suggestions for changes in procedures before the Board prepared by the Labor Law Section of the American Bar Association be adopted with no further delay. The subcommittee's investigations have confirmed findings by McKinsey & Co., Inc.—a private management consultant firm—that gross mismanagement and lack of adequate standards have contributed to long delays in dealings with the Board. The subcommittee agrees that regional offices waste precious time because practically all decisions must be cleared through the Washington office of the Chief Counsel or the Board. It urges the McKinsey & Co. recommendations be implemented as soon as possible, including greater autonomy for regional officers, so that bureaucratic "redtape" can be reduced to a minimum or eliminated.

Will We Bite?

EXTENSION OF REMARKS
OF
HON. STEVEN B. DEROUNIAN
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Wednesday, September 27, 1961

Mr. DEROUNIAN. Mr. Speaker, President Kennedy made a fine speech last Monday before the United Nations. It now remains to be seen whether or not his actions will follow his words. The dangers prevalent on disarmament are well discussed in the following article by Edgar Ansel Mowrer in the September 25 issue of the Long Island Daily Press:

REDS DANGLE SAME OLD DISARMAMENT BAIT

(By Edgar Ansel Mowrer)

While Soviet generals, engineers and scientists frantically beef up Russian military strength for a coming showdown with the United States, that master Communist staller Valerian A. Zorin once more dangles the bait of disarmament. It looks as though the American administration is again rising to the Soviet lure.

Think a moment: the U.S.S.R. after duping the United States into a 3-year cessation of atomic tests, suddenly rushes to test its new and monster weapons. It totally disregards the objections of those nonaligned countries who systematically attack the United States for previous testing and France for just four current tests, which may have resulted in about a tenth as much fallout as the recent Soviet tests. The Kremlin accomplishes this precisely when, with a Berlin shown-down looming, it needs to appear—and be—militarily as formidable as possible. Moreover, Khrushchev has to move fast. For if the United States really reentered the armament race it could up our military budget by 50 percent and soon far surpass the Communists.

But this is exactly where Comrade Zorin comes in. Just when American public opinion is about to demand that President Kennedy quit fooling and beat the Russians to N-bombs, anti-missile missiles, shelters and the other essentials of freedom in the nuclear age, the Russian once more acts as though after 15 months of stalling he really wants more disarmament negotiations.

One may have expected President Kennedy to greet this latest Soviet "willingness" once more graciously to discuss disarmament with us with a loud Bronx cheer—and get on with the arms race in order to strengthen our Berlin position.

Instead he comes up with an echo of Khrushchev's former phony proposal of complete disarmament. As that Kennedy champion James Reston describes the situation in the New York Times, although the Kennedy administration has been "profoundly disappointed" in its effort to create a new spirit, "it came to office determined to put an end to the angry dialogue with the Communist world, to elevate reason in the counsels of the nations to emphasize military solutions of the world's problems and to build the United Nations not only as a forum but as an effective arbiter for the peaceful settlement of disputes."

Obviously, it has done nothing of all this. Each hope has been blown up in Kennedy's face by Khrushchev. The latter never had, and has not now, the slightest intention of permitting any of this to happen. What he wants is to lull an awakening American public back to sleep while he seizes Berlin, Laos, Vietnam, etc., etc., etc.

We Need Leadership and the Will To Win in Our Struggle With World Communism

EXTENSION OF REMARKS
OF
HON. JOHN M. ASHBROOK
OF OHIO
IN THE HOUSE OF REPRESENTATIVES
Wednesday, September 27, 1961

Mr. ASHBROOK. Mr. Speaker, one of the most disappointing aspects of our administration's foreign policy during the past 8 months has been a complete backing away from the life-and-death challenge of the international Communist conspiracy. Have we ruled ourselves out of competing with the Reds for the minds of men? Have we come to the juncture in our Nation's history when we lack the courage to fight affirmatively for our ideals against the most tyrannical, godless force ever known in the world? Or is it because there is a fundamental belief that a Communist is not really a Communist and their threats are not really threats. Many in this country honestly believe that world communism presents no imminent danger. I suggest that the facts do not support this contention.

Communism is the No. 1 domestic and international problem of the United States of America and poses our greatest threat and challenge. The State Department has indicated that it does not understand the nature of the Communist conspiracy. Its unfortunate history is one of concession, appeasement, retreat and weakness. I suggest that this is not the temper of American opinion

nor an indication of the resolve of our people to recognize our enemy, understand them for what they are, how they operate and what they plan as well as their resolve to take the steps necessary to win in this struggle. It may seem inconsistent to state this, since the President must assume responsibility for the conduct of the State Department, but I feel that President Kennedy understands the Communists. His record in the House of Representatives indicated he had a basic awareness of the threat of international communism.

My concern comes largely from what the President and the administration leave unsaid. My concern stems further from the unmistakable conclusion that one must reach after following the 8-month record vis-à-vis the Soviet Union that we are afraid to take the initiative, afraid, to win, in effect, in this struggle which will determine whether this planet is to be free or slave. The State Department internationalists have charted our course in a manner which indicates their overall preoccupation is with their desire to come up with a "draw" in the Russia-United States conflict even though the record is replete with evidence that the Russians are playing the game to win and are, unfortunately, doing just that. To win requires the taking of risks, that point should be made clear. However, our State Department is operating on the assumption that war is the worst thing that can happen. War would be hell but who can argue that living under communism is worse than either the threat of war or war itself?

No one could disagree with what President Kennedy told the Nation on the Berlin speech. On Monday of this week, he made another fine address to the United Nations and gave eloquent testimonial to our peaceful intentions and aspirations. However, in my judgment the real point was missed then as it has been by the State Department in the past 8 months and ever since the end of World War II. The United States must develop the plan, develop the leadership which will bring about a victory of the forces of freemen over the forces of slavery. No where do we get any indication that this is to be desired or even considered. This vital point is lacking in our foreign policy today more than at any time since 1945.

While our overall policy during the Truman and Eisenhower administrations was not as strong as the free world longed for, by no stretch of the imagination did it go to the extreme that we have seen in 1961. Suddenly the State Department adopts a policy which I refer to as one of "civility." Under the doctrine of "civility" the Russians are treated as if they are responsible members of the world community of nations, that they want peace and that the only problem is to find mutual ground for accord, negotiation and concession. Along the way, we have seen our Goverment delete strong referençes to communism, encourage diplomatic recognition of puppet states, make available surplus grain to Russia and the Iron Curtain countries, open our postal system to the flow of Communist junk mail and commit many other foolhardy blunders to conjure up the right spirit from our foe. Let us trace this policy which is supposed to bring about peace and harmony and see how it squares with American concepts, American security and our hopes for a free world safe from subversion, war and threats against individual liberties.

First, it almost seems redundant to go over Communist history but some Americans still hold to the idealistic mirage that communism really is not so bad, that it represents more of a land reform or collective experiment. From the beginning, the Communist credo has clung to but one philosophy. This was that capitalism would eventually be destroyed and world communism would be instituted. Along the way, anything was proper to achieve these ends from murder and deceit to internal subversion and the conquest of peaceful countries. The record of Communist perfidy needs not to be recounted. Their words have been belied on every turn by their deeds. They have been at war against us incessantly from the beginning. They were at war against us when President Roosevelt opened the gate by giving them the respectability of diplomatic recognition from this country in 1933. They were at war with us at the very time we were sending them lend lease supplies and fighting with them against the Fascist overlords, Hitler and Tojo. They are at war against us now but we do not want to admit it. Unfortunately, our State Department does not seem to know it. We are still living under a Presidential proclamation of December 16, 1950, which states in part:

PROCLAMATION 2914

Whereas world conquest by Communist imperialism is the goal of the forces of aggression that have been loosed upon the world; and

Whereas if the goal of Communist imperialism were to be achieved, the people of this country would no longer enjoy the full and rich life they have with God's help built for themselves and their children; they would no longer enjoy the blessings of the freedom of worshiping as they severally choose, the freedom of reading and listening to what they choose, the right of free speech including the right to criticize their Government, the right to choose those who conduct their Government; the right to engage freely in collective bargaining, the right to engage freely in their own business enterprises, and the many other freedoms and rights which are a part of our way of life; and

Whereas the increasing menace of the forces of Communist aggression requires that the national defense of the United States be strengthened as speedily as possible:

Now, therefore, I, Harry S. Truman, President of the United States of America, do proclaim the existence of a national emergency.

Why do we turn our backs on the facts? They are clear. They are convincing. Certainly no one can allege that the Communists can be trusted more in 1961 than in 1950. Exactly the opposite allegation would be closer to the truth. What, then, are we doing in face of this national emergency?

One of the first things this administration did was to censor a speech of Adm. Arleigh Burke who was supposedly under the misapprehension that the Communists were our enemies and was going to say so publicly in an address. The White House announced that henceforth there would be no derogatory references to the Communists and all speeches would be cleared with the White House first. This was followed by the Defense Department memorandum which withdrew the program known as Operation Blue. This program had been used successfully to educate our servicemen on their enemy—the Communists. General Walker was rebuked for his anti-Communist activities on the grounds that he invaded the political field.

In his January 20 inaugural speech, President Kennedy referred to a "new start" which his administration would take in regard to our dealings with the Reds. Strong statements were made concerning Cuba and Laos but in both cases our action did not match the words. In Cuba, we withheld vital support from an invasion which on admission of our officials was prompted by U.S. participation and Cuba officially went into the Communist camp. After being humiliated, our officials then supported an abortive "tractors for prisoners" deal and set the tone for our national posture.

In late June, the Commerce Department, with State Department approval, announced that it would henceforth permit sales of subsidized farm commodities to the Soviet Union and its European bloc. What could be more ridiculous? The one factor which makes war unlikely is the lack of food in Russia and the Iron Curtain countries. So what do we do—we help them out with this, their greatest problem. Congress has expressed its strong disapproval of this policy.

In June, the Congress discovered that we were playing the role of a real sucker in the United Nations. U.S. dollars were used by the administration to pay into the U.N. Special Fund for the Congo operation to make up for the share which the Soviet Union refused to pay. Their assessment was made under article XVII of the U.N. Charter; they refused to pay, and this administration used $5 million from the President's contingent fund and $10 million from the mutual security fund, literally giving it in direct aid to our enemy. That is not all. The administration has recommended increased aid to Yugoslavia and Poland under the theory that they are not in the Communist orbit. This flies directly into the face of facts. On July 13 of this year a joint communique was issued by the U.S.S.R. and Yugoslavia which expressed great satisfaction with relations between the two countries which it states "are developing normally and the positions are similar or coincide on the major international questions."

Yet this administration looks forward to a new round of conciliatory gestures toward Tito. Study a few examples of the export licenses granted by our Commerce Department which authorize shipment of material to Yugoslavia. On July 12, licenses granted for shipment of $639,000 in iron and steel scrap; August

4, another license for $639,000 worth of scrap metal; August 16, license approved for shipment of $354,412 in copper scrap; August 28, license approved for shipment of $732,000 in iron and steel scrap. All of this, mind you, to a "neutral" nation which finds its relations developing "normally" with Russia and whose positions are similar or coincide on the major international questions.

Since 1948, U.S. Customs Bureau officials have been under orders to screen Communist propaganda coming into this country of the junk mail variety. Let me make it clear that no one objects to letters which are of a first class nature, from individual to individual. Here we are talking about hundreds of thousands of tons of Communist mail which is coming into the country to be delivered free. During the Truman and Eisenhower administrations, if this mail were determined to be political, it was intercepted. Since March 17, under order of the Kennedy administration, the plug was pulled on this flood of propaganda mail and the Communists have had a field day sending their trash to our youth. Pressed for an answer, the Post Office Department gave this official answer for stopping the 13-year-old program of intercepting unwanted and unsolicited propaganda:

The program had no intelligence value and it interfered with efforts to improve East-West relations.

Here we see the key to the sorry story of our relations with the Communist international conspiracy during these past 8 months. Improve East-West relations by softening our criticisms of the Communists, refrain from focusing attention on the fact that they are our avowed enemy, do not call attention to their lies, deceit, treachery—just hope, hope that sooner or later they will be moved by a spirit of justice and fairness to settle all of the problems of the world. This, I suggest, is not only naive, it is completely bankrupt and presents a serious danger to our national security.

The President has followed this policy and has cautiously refrained from strong words in talking of our enemy. Take the Captive Nations Declaration as a good example. This was an unfortunate example of this soft policy. The 86th Congress provided for the designation of the third week in July as "Captive Nations Week," and urged the President to make a yearly declaration until these nations are freed from the Communist yoke. In 1959, President Eisenhower made a strong declaration which referred to the "nations throughout the world which have been made captive by the imperialistic and aggressive policies of Soviet Communism" and to "Soviet-dominated nations." No doubt was left in any mind that we considered the Russian leaders as the captors, the oppressors. Contrast this to the appeasing declaration issued this year:

TEXT OF THE PRESIDENT'S PROCLAMATION ON CAPTIVE NATIONS WEEK 1961

Whereas by a joint resolution approved July 17, 1959 (73 Stat. 212), the Congress has authorized and requested the President of the United States of America to issue a proclamation designating the third week in July 1959 as "Captive Nations Week," and to issue a similar proclamation each year until such time as freedom and independence shall have been achieved for all the captive nations of the world; and

Whereas many of the roots of our society and our population lie in these countries; and

Whereas it is in keeping with our national tradition that the American people manifest its interest in the freedom of other nations:

Now, therefore, I, John F. Kennedy, President of the United States of America, do hereby designate the week beginning July 16, 1961, as "Captive Nations Week."

I invite the people of the United States of America to observe this week with appropriate ceremonies and activities, and I urge them to recommit themselves to the support of the just aspirations of all peoples for national independence and freedom.

Not one reference to the mortal enemy of the United States but rather a hope for "the just aspirations of all people for national independence and freedom."

My colleagues, we see everywhere a complete breakdown of our Government's determination to defeat international communism. Do we honestly think we can come out of this life and death struggle with a "draw?"

We see the same policy manifesting itself in the behind-the-scenes efforts of prominent members of this administration to accomplish the diplomatic recognition of Red China and Outer Mongolia. Many factors suggest that the deal has already been made. Following the conference between Prime Minister Macmillan and President Kennedy, the Associated Press on April 12 reported from London:

In a reversal of longstanding policy, President Kennedy's administration has decided not to oppose U.N. debate next fall on Red China's bid for a seat in the United Nations, informed diplomats reported today. Instead, the United States is working on a new strategy to keep Peiping out of the world body—at least until 1962. The diplomats said Mr. Kennedy told British Prime Minister Macmillan at their meeting last week he needs at least 12 months to prepare Americans to accept the Red Chinese into the world organization.

We are being prepared now, make no mistake of that. Public indignation has forced the administration to ostensibly oppose the admission but the same end is being accomplished. Only this week, on Tuesday, September 26, Ambassador Adlai Stevenson gave one more indication of this frightfully soft approach to communism in his declaration at the United Nations that the United States will not obstruct the admission of Communist Outer Mongolia to the U.N. He did not make it clear whether our country would vote to recommend this Communist country for membership or abstain from the voting but in either case it could be decisive of the issue. Here once more is the wornout policy of doing business with the Communists. We have been doing business with them for 28 years and the cause of freedom has lost over one-third of the world in the process. They will continue to do business with us as long as they can bargain away our very lives.

Think of that. We will not obstruct the recognition of Outer Mongolia. Owen Lattimore has been on an extended tour there. He and others of his type give two reasons for such recognition.

First, they say, this will encourage diversity within the Communist bloc. Second, it will give us a listening post in the Far East. Recognition of Outer Mongolia implies acceptance of the fiction that this satellite is an independent state, responsible for its own foreign policy. This is absurd but, more important, recognition will do immeasurable damage to the U.S. position in the Far East since it represents another instance of appeasement.

All in all, this 8-month record is indeed a sorry one for the American people. It signals the fact that we are not really in the battle with the Russians. We are content to drift and appease.

A DOMESTIC ISSUE?

Is communism merely an international issue or is there a bona fide threat of internal subversion? Note well what the man most qualified to say, J. Edgar Hoover, Director of the FBI, told a House Appropriations Subcommittee this spring:

The Communist Party, U.S.A., during the past year has stepped up its activities among the youth of our Nation. In addition to their youth work, the Communists devoted considerable effort toward infiltration of our industries and unions, in improving their agitation and propaganda machinery, in exploiting the prevailing international political climate in an effort to make Soviet policies more acceptable to American public opinion, and in rebuilding their influence among all segments of our society. (Hearings on H.R. 7371 (State, Justice, judiciary appropriation bill) before a subcommittee of the House Appropriations Committee, House of Representatives, 87th Cong., 1st sess., Mar. 6, 1961. U.S. Government Printing Office. (P. 423.))

He further stated that the Soviet intelligence setup is the most extensive in history and yet, I would add, we expect to "improve East-West relations." He said:

The Soviet intelligence services have reorganized, multiplied their contacts with the American people, and have become aggressively bolder in spearheading their espionage offensive against the United States. The intelligence organizations of the satellite countries, carefully coordinated under Soviet leadership and control, have gained increasingly in experience and ability.

The current, widespread ramifications of the Soviet bloc espionage networks which today extend throughout the entire United States, have indicated a realistic need for a further tightening of our security on the homefront. While the Communists speak of peace, their intelligence setup is the most extensive in world history. (Ibid., p. 425.)

There is nothing partisan in the fight to destroy Communist subversion. Two of the most dedicated Americans in this battle are Senator THOMAS DODD, Democrat, of Connecticut, and Representative FRANCIS WALTER, Democrat, of Pennsylvania. Both men have recognized that one of our greatest dangers comes from bureaucrats in Washington who either out of design or ignorance are selling the line that Communists are not really out to destroy us and we must be more friendly with them. Take the frightening and absurd views of one of the U.S.

Information Agency's top officials which was brought to light by the dedicated patriot, Senator DODD. In a recent speech he told his colleagues:

The most alarming evidence I have yet noticed of the weakness in our propaganda effort was the speech made on Monday, September 4, by Dr. Ralph K. White, Chief of the Soviet Bloc Division of USIA's Office of Research and Analysis.

This speech advanced the general theme that we are not too different from the Communists, after all. At the conclusion of my remarks, I shall insert in the RECORD the text of Dr. White's speech; but at present I should like to give a brief and, I believe, fair description of its contents.

Dr. White contends the following:

That we and the Communists are waging a joint battle against mutual suicide.

That we err in not recognizing that the Russians are afraid of us and that many of their seemingly aggressive policies originate in this defensive fear.

That while the Soviets may appear aggressive in Berlin, they have a genuine desire to stabilize the situation there, based upon a sincere fear of aggression by the West.

That we are too inclined to look upon Communist leaders as villains and that we overestimate the evil of Communist dictators.

That we are too ready to dismiss the words of the Soviet leaders as lies when most of the time they are saying what they really think.

Then, in what surely must number among the great understatements of this century, Dr. White throws in these bromides:

He says that, in a sense, Soviet leaders are "less representative" of their own people than we are. He points out that their meaning of democracy is "rather different" from ours and that they are, therefore, "less democratic" than we are. He concedes that we are "less aggressive" and "less imperialistic" than they are. He ventures that "relatively speaking" we are more truthful than the Communists.

Dr. White, in conceding that we are more truthful than the Communists, implies that this difference is only in degree rather than in kind. He condemns the U–2 incident and our assistance to the Cuban freedom fighters as matters for which we should be blamed.

In another portion of his speech, Dr. White credits Khrushchev with having knocked "large holes" in Stalin's Iron Curtain, apparently unaware that a few weeks ago Khrushchev closed the largest hole in the Iron Curtain by building a concrete wall across the center of Berlin that is more literally an Iron Curtain than Stalin ever erected.

These are strange statements indeed to come from a man who is responsible for advising USIA on the most effective means of winning the ideological conflict with the Communists.

Apparently Dr. White feels there is not much of a conflict after all and that differences between us and the Communists are mere delusions and misunderstandings.

It is, I feel, a matter of shame for a Senator to have to refute on the floor of the Senate such statements from a U.S. official.

First, we are not engaged in any joint battle at the side of the Communists against mutual suicide. They, and they alone, threaten the world with destruction. If we are to have a nuclear holocaust, it is they who will cause it and nothing could be more false than the assumption that, somehow, we and the Communists are struggling together against the threat of nuclear annihilation, as though that threat had some independent status, some autonomous power of its own.

Second, I cannot believe that the brutal aggression of the Communists in East Berlin, in Tibet, in Laos, in South Vietnam, in Indochina, in South Korea, and other places, or the similar aggression which swallowed up all of Eastern Europe and China, is motivated by fear of the West. It is, rather, a logical and systematic implementation of the frequently declared aim of the Communists to subjugate the entire world. I hope that, after the fall of 1 billion persons to Communist tyranny since 1945, there are only a few left who maintain that these patently aggressive and inhuman acts were defensive, natural acts based upon fear. The fact that such a thesis is still being advanced by one of our leaders in psychological warfare is to me a cause of shock and almost of despair.

Third, Dr. White's thesis that Soviet actions in Berlin are based upon a genuine desire to stablize the situation there, thus fending off Western aggression in the future, is incredible in view of the facts.

The Communists have forced crisis after crisis in Berlin with the objective of forcing us out, gobbling up Berlin, and so undermining the free world position there as to cause all of Germany and all of Europe to fall within the Communist orbit.

The Communist purpose in Berlin is aggression and no other. And if the leaders of our own USIA cannot grasp this fact, if they do not have the comprehension to understand our enemy and his motives, whom can be expect to understand?

Fourth, Dr. White feels that the American people are too inclinde to look upon the Communist leaders as villains and that we overestimate their evil.

Here is a group of men in Moscow who have deliberately murdered 20 million people, through planned starvation, through assassination, through mass executions, through the slow living death of concentration camps and slave labor camps.

Here is a group of men who have enslaved 1 billion human beings and turned them into faceless cogs in the Communist machine.

Here is a group of men who have waged systematic warfare upon the basic tenets of our religous and philosophic heritage, men who will embrace any evil if it advances the Communist cause.

In the face of this, what can be said for a division chief in our USIA who feels that we overestimate the evil of our enemies?

Fifth, Dr. White chides us for being too ready to dismiss the words of Soviet leaders as lies when most of the time "what they say is fairly close to what they really think." What a remarkable statement this is.

Does Dr. White believe that the Soviet charges against us of germ warfare in Korea were made in good faith?

Does he believe that they were saying what they really thought when they tied us up in nuclear test ban negotiations while at that very time they were setting up the series of nuclear tests which are now taking place?

Does he believe that they were acting in good faith when they broke more than 1,000 solemn treaties whicH they had entered into?

The list of their perfidy is infinite.

It need not be recounted here.

What is unbelievable is that an American USIA official could make the statement that most of the time Soviet leaders are saying what they really think.

Sixth, the understatements of Dr. White to which I previously referred are actually incredible misstatements.

The Soviets are not merely less representative of their people than we are. They are not representative of their people at all in any real sense. They are enemies and enslavers of their people.

They are not less democratic than we are. They are not democratic in any sense; they are totalitarian in every sense.

Their meaning of democracy is not "rather different" from ours, as Dr. White alleges. There is no room for democracy at all in their ideology and they are avowed enemies of it.

I suppose we should be grateful to Dr. White that, after years of scientific research and evaluation, he can proclaim that we are less aggressive and less imperialistic than the Soviets. But the truth is that we are not aggressive at all and they are completely aggressive. The truth is that we are not imperialistic at all and they are the most imperialistic clique that ever existed.

Seventh, as for Dr. White's condemnation of the U–2 flights and our assistance to the Cuban freedom fighters, I have this to say.

The truth is that the U–2 flights were not only blameless but highly praiseworthy and necessary actions that contributed substantially to the security of this Nation and to its protection against surprise attack by the Soviets.

The truth is that our error in assisting the Cuban freedom fighters was that we did not give enough help to those who were striving to rescue their country from the grim oppression of a Communist dictatorship, maintained in power by Communist arms.

We can expect our enemies to attack us on these points; we can expect neutralists and those who are more committed to vague concepts of internationalism than they are to the life or death question of national security to find fault with these actions. But should we expect an official of our own U.S. Information Agency to make such attacks? If USIA is not for us, whom can we expect to be for us?

This is incredible but a good example of what is going on while we and our countrymen are sleeping. How do such men get into key positions of Government, you ask? The record of Communist infiltration in Government is a long one and needs no documentation here. Yet many of those color blind bureaucrats come in the front door. Representative WALTER blasted his own administration on the floor of the House on July 6 because of bad judgment in appointing unqualified men to sensitive positions. He said, in part:

According to press reports which appeared in several newspapers within the last 2 weeks, Mr. Salvatore Bontempo and Mr. Michel Cieplinski, have been selected to be appointed, respectively, to the posts of Administrator and Deputy Administrator of the Bureau of Security and Consular Affairs of the Department of State.

Having acquainted myself with the background of both alleged nominees, I believe that both appointments have been made, or are about to be made, in violation of the law, Executive orders, existing regulations, and even of the most recent order issued by President Kennedy regarding full reports and detailed information on individuals considered for important administration positions. * * *

Both nominees come directly from the field of strictly political activities neither of them having ever been associated with matters affecting internal security, immigration, issuance of passports, and determination of citizenship and nationality, although all of those matters are within the purview of the law which they would be called upon to administer.

The Bureau of Security and Consular Affairs is one of the most important offices in the Department of State, indeed, one of the more important offices of the entire executive branch of the Government. Not only is internal security of the Nation involved in the Bureau's operations but so is the security supervision of diplomatic and consular establishments and personnel as well as the very fate of hundreds of thousands of U.S. citizens and aliens who leave this country or come to the United States each year. Both nominees are entirely foreign to the

important and technically involved field in which they are about to operate. By their appointment, violence is done not only to the law, to Presidential orders but also to the best interests of good government.

Mr. Speaker, having spent well over a quarter of a century in politics, I certainly recognize the necessity of paying up political debts. I am by no means an adversary of that reality of our political life. However, I deeply believe that payment of political indebtedness to individuals should not be in conflict with national interests, and that persons who for political reasons may be deserving of rewards should not obtain them at the expense of such interest, or be entrusted with duties for which they are not qualified.

In the case of Messers. Bontempo and Cieplinski, a perusal of their professional records and past experience most certainly disqualifies them from the respective positions for which they appear to have been selected.

Mr. Speaker, I cite these two statesmen at length because they highlight the overall internal threat to this country. All too few bureaucrats see the sinister nature of the Communist threat. At a time when we have a vigorous Communist Party working against us internally, many raise their voices against the House Committee on Un-American Activities, one of the forces which is working to protect us from communism. I have shown the film "Operation Abolition" on numerous occasions in my home district and I am always amazed at the number of people who seem to see a danger in it but rarely say a critical word against the Communists. At the end of this address I am including an answer to the critics of this film—a film which shows, as J. Edgar Hoover puts it, that "it can happen here"—prepared by my colleague, Representative JOHN ROUSSELOT, of California.

The Communists and their fellow travelers are working day and night in our very midst. Yet, through our predisposition to think only the best of our fellow men we at once are making their work easier. Communist-front organizations are flourishing. Anti-Americanism is openly proclaimed. Our book shelves and magazine racks abound with Socialist-Communist thought. Currently, a smear book, "The Un-Americans" is on the paperback book stands. It is a conscious effort on the part of a questionable American to tarnish the House Committee on Un-American Activities. The author, Frank J. Donner, is described only as a constitutional lawyer. On February 16, 1959, HUAC issued a report titled "Communist Legal Subversion: The Role of the Communist Lawyer." At page 35, the following appears concerning this "constitutional lawyer":

FRANK J. DONNER, NEW YORK

Frank Donner was identified by a number of witnesses before this committee as a member of a Communist cell comprised of lawyers employed by the National Labor Relations Board in Washington, D.C.

Herbert Fuchs, a former Communist who had helped to organize this cell in 1937 and actively participated in it until his transfer from Washington in 1942, testified on December 13, 1955, that Frank Donner was one of the NLRB lawyers who joined his conspiratorial Communist group.

On December 14, 1955, Mortimer Riemer, another former member of the Communist cell in the NLRB, confirmed Fuchs' testimony regarding Frank Donner. Donner was again identified by ex-Communist Harry Cooper on March 1, 1956.

Frank Donner, on June 28, 1956, appeared as a witness before this committee. Although admitting he was employed by the NLRB from 1940 until 1945 in the Litigation Section, he invoked the first and fifth amendments when he was questioned concerning Communist Party membership and affiliations. Mr. Donner was confronted with a U.S. Civil Service Commission questionnaire he had signed on June 2, 1943, while employed by the NLRB. On this official form, he had replied "No" to a question as to whether or not he held membership in a Communist organization. Conceding that the signature was his, Mr. Donner nevertheless invoked the fifth amendment when asked by the committee if he had been truthful in his statement to the U.S. Government.

Frank Donner was recently named general counsel for the United Electrical, Radio and Machine Workers of America. This Communist-controlled union, which was ousted by the CIO in 1950, is a recognized bargaining agent in many of our vital defense industries. The UE in a recent pamphlet described its new counsel as being recognized as one of the foremost authorities on NLRB law. It failed to mention that Donner was publicly identified as being a member of a conspiratorial Communist cell while employed as an attorney at the NLRB in the 1940's.

This fifth amendment author and the small band of overt sympathizers of the same ideology are meeting with little actual support but they are serving their purpose. Many people have become confused as to communism. Those who are patriotically fighting this subversive movement are often made the target of smear and derision. Some, like General Walker who was officially described as "eccentric," are being vilified and destroyed. As to the frantic efforts by certain elements seeking "abolition" of the House Committee on Un-American Activities, Representative WALTER states:

The anemic public response to this campaign is heartening and augurs well for the abiding patriotism, circumspection, and intelligence of most Americans.

The battle, however, is going on. Until we officially brand the Communist international conspiracy as an enemy, the result will be in doubt.

The masters of the Kremlin have enslaved over 900 million people. Their conquest of 15,500,000 square miles represents 26 percent of the land area of the earth with over 30 percent of its population. Each day they promote their plans to nick away at more and more of the free world. Can anyone doubt that they are our avowed enemies? Why do so many get fooled by the false facade, the thin veneer of their professions for peace and humanity?

The basic truth that should be etched by our consciences after 28 years of perfidy by the Communists since the Roosevelt administration accomplished the recognition of Russia is that it is sheer suicide for freemen to appease or accommodate the totalitarian leaders of that atheistic country. We only deceive ourselves when we feel that a doctrine of civility will bring peace to the world. We only deceive ourselves when we hopefully contemplate disarmament without the first ingredient of Russian defeat or collapse. While Khrushchev speaks of peaceful coexistence he continues the policy of war and murder, buying precious time from the free world. Any hope of negotiation and agreement with or concession from the Soviets is unreal. Our true challenge is to develop a policy which will set our sights on an overall victory for the free world over the Communist tyrants.

For that reason, I have joined several of my colleagues in introducing the "victory resolution." It is predicated on the thesis that we must win and to do so we must first set our entire effort toward defeating those who would destroy us. This resolution, House Joint Resolution 593, declares that a "state of hostility" exists in the world and that "the abuses and usurpations of the global aggression" are "no longer tolerable." Therefore, "it hereby is, and henceforth shall be, the indomitable will of the people of the United States of America and the unswerving purpose of their Government to achieve complete victory over the forces of the world Communist movement." The resolution directs the President to prepare for the approval of the Congress a program to achieve this total victory. The resolution is as follows:

HOUSE JOINT RESOLUTION 593

Joint resolution expressing a declaration of will of the American people and purpose of their Government to achieve complete victory over the forces of the world Communist movement

Whereas numerous findings, resolutions, and condemnations in United States law, Presidential proclamations, and treaties which bind the United States, proclaim that the world Communist movement pursues invariably the same object, world conquest, and evinces a clearcut design to reduce all peoples under its absolute despotism; and

Whereas the supranational world Communist movement does not represent the Russian and other peoples under its totalitarian control, but rather, in violation of their legitimate national aspirations, commands their lands and resources as an industrial-military base for its global campaign; and

Whereas the world Communist movement operates on every level of human activity, using all conceivable pressures—ideological, psychological, economic, military, paramilitary, etc.—to bring about a widening influence and ultimately absolute control over every human thought, aspiration, and action in the nations it subverts and conquers; and

Whereas the United States of America has taken numerous steps including the use of Armed Forces to withstand the global aggression of the world Communist movement in certain areas in various foreign countries and within our borders; and

Whereas these steps which constituted a determination to resist certain individual thrusts of that aggression, in their totality have not met the full challenge of the global state of hostility that has been declared in dogma and prosecuted in deed by the world Communist movement; and

Whereas the nature of the threat demands the engagement of the full will of the American people against the hostile universal dedication of the enemy, and the application of a complete global policy to meet and defeat on every front the widespread coordinated forces of the world Communist movement: Therefore be it

Resolved by the Senate and House of Representatives of the United States in Congress assembled, That a state of hostility exists, and, finding no longer tolerable the abuses and usurpations of the global aggression un-

justly thrust upon men by the world Communist movement, in order to bring peace and security to this Nation and the family of nations and to realize the hopes expressed in law for the freedom of Communist-enslaved peoples, it hereby is and henceforth shall be, the indomitable national will of the people of the United States of America and the unswerving purpose of their Government to achieve complete victory over the forces of the world Communist movement in all its names, its parties and sections, and to this great end we urge similar action by all independent nations and humbly beseech the strength and guidance of Almighty God; and be it further

Resolved, That the President shall prepare for the approval of the Congress a program to achieve this total victory.

We speak with frustration and wonderment when we consider the so-called neutral or uncommitted nations. We ask ourselves how anyone but an opportunist can fail to see there is really no choice except freedom or slavery in the battle of East and West. Before we condemn the "neutrals" too loudly must we not admit that, looking through their eyes, we see the struggle as one where the Communists are dedicated to winning while the United States, the leader of the forces of freedom vacillates and continues bankrupt policies of concession and appeasement? Did not the recent Belgrade Conference of "neutrals" offer the best exposé of the sheer stupidity of our policies? Are we afraid to admit this? Does this conference give an indication of who they think is going to win and who is going to lose?

I have recounted only a few of our questionable policies here. The network of internal subversion is extremely vast and intricate. The international network of the Communist conspiracy represents a dèdicated threat to our hard-won freedoms. We will not win against that force by concession or appeasement, by relaxing our guard, by allowing their mail to flow freely, by selling them our surplus grain, by selling them strategic material, by weakly allowing them to ridicule the U.N. Charter, by a doctrine of civility. Quite the opposite, if we set our sights on ultimate victory for freedom we will quickly determine that anything which helps them hurts us. We will reverse our drift and reassert our leadership and in these late hours of our struggle tip the balance toward the cause of freedom.

The article by JOHN H. ROUSSELOT follows:

THE TRUTH ABOUT "OPERATION ABOLITION"

(By Congressman JOHN H. ROUSSELOT)

Charge: The demonstrators were not Communist inspired and Communist led.

Fact: George Christopher, mayor of San Francisco, quoted from the San Francisco Examiner, May 18, 1960: "The mayor said that in his opinion last Friday's riot was Communist directed and that for the most part, unknowing and misguided students were innocent pawns of trained Communist agitators skilled in crowd control tactics."

J. Edgar Hoover, quoted from "Communist Target—Youth": "It is vitally important to set the record straight on the extent to which Communists were responsible for the disgraceful and riotous conditions which prevailed during the House Committee on Un-American Activities hearings. It is vitally important that not only the students involved in that incident, but also students through the Nation whom Communists hope to exploit in similar situations, recognize the Communist tactics which resulted in what experienced west coast observers familiar with Communist strategy and tactics have termed the most successful Communist coup in the San Francisco area in 25 years."

Judge Albert A. Axelrod, presiding judge at the San Francisco Municipal Court where those arrested at the riots appeared, made the following statement quoted on page A2 of the Washington Post, December 25, 1960: "I very definitely agree with the view of FBI Director J. Edgar Hoover that the city hall riot of last May 13 was instigated by Communist subversives."

To clarify his position, which had been distorted in some quarters, Mayor Christopher made the following statement in his office on January 18, 1961: "Known Communists, and I repeat this emphatically, known Communists were in the lead of this demonstration." The students were dupes who joined some of these causers of agitation believing it as innocent and harmless.

Charge: The San Francisco police were brutal in their handling of the students. No witnesses have been produced who can verify that the rioters provocated the physical conflict.

Fact: J. Edgar Hoover, as quoted from "Communist Target—Youth": "One of the judges in a municipal courtroom in the city hall ordered the mob dispersed because the noise made it impossible for him to hold court. When an attempt was made to carry out the order, the crowd responded by throwing shoes and jostling the officers. An officer warned that firehoses would have to be used if the crowd did not disperse, but the crowd, instigated by Communists who had maneuvered themselves into strategic positions, became more unruly. One of the demonstrators provided the spark that touched off the flame of violence. Leaping a barricade that had been erected, he grabbed an officer's nightstick and began beating the officer over the head. The mob surged forward as if to storm the doors, and a police inspector ordered the firehose turned on. At a party meeting on the night of May 20, 1960, Archie Brown (ed. note: Archie Brown is second in command of the Communist Party in California) disclosed how the party intended to use a followup campaign with campus students as the target. He stated that the party planned to emphasize 'police brutality' as a rallying cry to attract sympathy of student groups."

Dave Hope, reporter, stated in an article on January 25, 1961, in the Oakland Tribune: "I was there. I was in the committee room, in the hallway, on the rotunda. I mingled with the demonstrators, watched the picket lines." On the following day in the Oakland Tribune in another riot article, he said, "I didn't hear any orders, but I did hear the police ask, even beg, the students to be quiet and to leave the city hall. All through the morning the police were polite and courteous. Even when the mob's mood turned ugly after the noon recess, and the hose was brought out, the students were warned repeatedly for a period of at least 10 minutes before the water was turned on. That didn't happen until one student grabbed an officer's nightstick and slugged him with it." It has been claimed that no one was ever charged for this; however, that is dead wrong. Hope went on to say, "* * * Robert J. Meisenbach, a University of California student who was than living in Berkeley, was arrested and charged with assault."

In the January 25 article, Hope went on to say, "Police were careful not to use excessive force. When two or three officers carry out one person, they're being gentle. The party never gets rough until it's man for man. So there was no chance for martyrdom, and this was disappointing. Martyrs must above all else be dignified. You can't be a martyr when, soaking wet, you're skidded unceremoniously down a flight of stairs on the part of your anatomy that should have been spanked more frequently in your childhood."

The San Francisco Chronicle, Saturday, May 14, 1960, in a lead article on page 1, reported that eight policemen and four students were injured. By the ratio of injuries it would appear that the so-called brutality was felt more by the police than the students.

Charge: The film is edited, distorted, cut of sequence and deliberately slants the facts.

Fact: Obviously, the film is edited, as is every film ever made. Three days of hearings, including the interviews of 46 witnesses, cannot be shown in a 45-minute film without editing and omission of most of the material. One thing is certain—the film does not show anything which in fact did not occur during the period of the hearings.

If, as has been claimed, there had been religious students present who wore armbands to distinguish them from the other protestors, the bands would have been visible in the film. For certainly, the films scanned the crowd in a most comprehensive way and any armbands present could not have been deleted from the film.

There are two errors in the film: One, Harry Bridges is shown leaving the city hall and the accompanying editorial comment says this was shortly before the riots. In fact, he arrived shortly after the rioters had been cleared by the use of fire hoses. The important fact is that Harry Bridges was there. Two, a sequence taken on Saturday was included in the Thursday sequence. David Hope stated in the Oakland Tribune, January 25, 1961, "It is astonishing that no more serious mistakes were made in putting the film together and drafting the commentary."

Mayor Christopher, in his statement of January 18, 1961, summed up by saying, "The pictures I believe speak for themselves. They are true. They are authentic. They tell the real story and, of course, at the same time, they are most unfortunate, to say the least."

Charge: The hearing room was unfairly "stacked" with those sympathetic to the committee.

Fact: J. Edgar Hoover, in "Communist Target—Youth", stated, "approximately 25 percent of the spectators in the room were individuals under subpena, and their friends, relatives, attorneys, and sympathizers. This group applauded and cheered the antics of Brown and Brodsky and booed, hissed, and ridiculed the committee at every opportunity."

Seven Baptist ministers from the San Francisco Bay area, who were in attendance at the hearings, issued a joint statement which was printed on May 17, 1960 in the publication of the Foothill Baptist Church, 1530 Foothill Boulevard, Oakland 6, Calif., which stated, in part: "We sat in the rear of the room (hearing room) on a raised platform where we could easily observe the proceedings, right in the midst of the student demonstrators. We studied the crowd carefully for hours and could easily discern which were the masterminds of the mob riots. It is our certain conviction that this indefensible demonstration against law and order was conceived, planned, and directed by a few hard-core Communist agitators who were carrying out their textbook orders on insurrection with classic success."

These statements, as well as the film sequences taken within the hearing room, make it all too plain that, if anything, too many persons actively opposed to the Committee on Un-American Activities were inside the hearing room.

Charge: Sheriff Carberry of San Francisco stated, "There was no act of physical aggression on the part of the students."

Fact: The above quotation was attributed to Sheriff Carberry by Paul Jacobs in his article attacking the film which was published in the November 24, 1960 issue of the Reporter magazine. On December 6, 1960, Sheriff Carberry issued the following statement concerning the above quote:

"I did not make that statement. I do not know the author of the article, Paul Jacobs, and have never spoken to him, and have never been interviewed by him.

"I was on the scene on Thursday and Friday (May 12 and 13) up to luncheon time when I went for a luncheon conference with the chairman of the committee, Mr. WILLIS. The disorders took place during the luncheon and I was in no position to know anyhing about them.

"I did not make that statement."

Charge: The film fails to name non-Communist groups by whom the protest against the committee was endorsed.

Fact: No one disputes that assertion. The important fact here is that those who were part of the rioting group responded to the orders and directions of known, identifiable Communists. Furthermore, the HCUA might have been subject to justifiable criticism, if in the course of naming and identifying the known Communists who are shown in the film, the names of other, non-Communist groups and persons were mentioned. The HCUA showed admirable and patriotic restraint in not identifying those groups so that the groups could not be subjected to "guilt by association."

Charge: Judge Axelrod, presiding judge of the San Francisco municipal court where the rioters were brought, stated, "I am convinced that they (the rioters) are not engaged in subversive activities nor in spreading subversive propaganda."

Fact: In a news article in the December 25, 1960 Washington Post, dateline San Francisco, December 24, 1960 (AP), Judge Axelrod is quoted as saying, "At no time did I condone their conduct. A single sentence (ed: the one quoted above in the charge) from my decision, quoted out of context, created that false impression." After the sentence quoted above, the judge went on to say, "However, they chose the wrong means to accomplish their purpose and let themselves become victims of those who profit by creating unrest, riots and the type of conduct which is outlawed by the penal code section I have quoted. As the result, they were arrested, fingerprinted, and photographed, and their efforts achieved a directly opposite result."

Charge: The film used to make "Operation Abolition" was obtained by the HCUA improperly and before the private TV stations which took the film could view it. Also, no credit lines are given. Furthermore, the sale of this film by a private firm is in violation of the copyrights of the stations which took the films.

Fact: The film was obtained by subpena, which is the normal legal way that evidence is obtained by any investigatory body or court of law. The TV people who took the film made no objections to this procedure. A copy of the film was made by Video Productions, Inc., Washington, at the request of the HCUA and quickly returned to the stations.

No credit lines were placed on the film because the film was presented as an official document of the HCUA to be submitted to Congress. In such cases, credit lines are not normally included, for the document is officially authenticated by the presenting committee and not by a private individual or firm.

No copyright infringement suits have been filed against Video Productions, Inc., nor are any planned, so far as is known.

Charge: The film must be inaccurate because of all the furor and controversy that it has created.

Fact: Dave Hope, writing in the Oakland Tribune of January 25, 1961, sums it up: "From the audience reaction (to the film) I would say it is extremely effective and that is why extraordinary effort is made to discredit it. Few people have seen Communists in action. Here they are shown when called before the hearing, screaming imprecations, insults, and contempt at a committee of the U.S. Congress. Almost maniacal in their challenge to law and order, they present an ugly picture that cannot be adequately described in words but becomes all too vivid in the film. * * * For those who took part in the riot and their apologists, the film is just too accurate, too revealing. That's why it is so bitterly attacked."

"Berlin" on Capitol Hill

EXTENSION OF REMARKS
OF
HON. JOEL T. BROYHILL
OF VIRGINIA
IN THE HOUSE OF REPRESENTATIVES
Wednesday, September 27, 1961

Mr. BROYHILL. Mr. Speaker, under leave to extend my remarks, I should like to insert in the RECORD a very interesting editorial which appeared in the Washington Evening Star on Wednesday, September 27, 1961, concerning the current disagreement between the chairman and the ranking minority member of the House Committee on Education and Labor:

"BERLIN" ON CAPITOL HILL

Let no one suppose that all the partisan wars on Capitol Hill will subside now that Congress has gone home. For far into the winter, we suspect, will be waged the bitter campaign between Chairman ADAM CLAYTON POWELL, of the House Education Committee, and Representative CARROLL KEARNS, its ranking Republican, over the possession of two spacious committee staff rooms in the Old House Office Building.

Mr. POWELL, with arithmetic on his side, already has ordered the tiny three-man minority staff of the committee to clear out, and change places with six members of the Democratic staff he says are working away in a one-roomer across the hall.

But this "numbers game," fires back Mr. KEARNS, is a mere subterfuge which obscures an issue of deep principle. For the rooms, he says, have belonged by precedent to the minority since 1947, through fat years and lean, whether Republican or Democrat. Thus (as Mr. KEARNS insists in his battle communiques to the press), the issue is not unlike that in Berlin, where the rights of a minority are being threatened by an unprincipled majority. And the most shocking thing of all to Mr. KEARNS is that Mr. POWELL, so long a champion of minorities, wants to "trample minority rights" into the dust now that he is a member of the majority. Will the Republicans obey the ultimatum to evacuate by October 1? "We're staying," says Mr. KEARNS.

So the burning question now, and we don't know whether we can hold our breath that long, is what will happen when Mr. POWELL returns from a European trip late next month. What battle plan will he invoke? Will he try to take possession by stealth, in the dead of night? Will he storm the bastions with Democrats in open battle? Will there be casualties?

Well, we will have to wait and see, of course. But our money is on Mr. KEARNS—outnumbered, outvoted and outraged, but armed with the principle that minority rights must be protected at any cost.

The Attack Carrier—Mobile Might

EXTENSION OF REMARKS
OF
HON. G. ELLIOTT HAGAN
OF GEORGIA
IN THE HOUSE OF REPRESENTATIVES
Wednesday, September 27, 1961

Mr. HAGAN of Georgia. Mr. Speaker, a few weeks ago, I was a member of a congressional group which made a short but impressive cruise aboard one of the Navy's attack aircraft carriers, the U.S.S. *Shangri-La*, then attached to the 2d Fleet. Only by actually going aboard and observing operation at sea is it possible to fully appreciate what awesome strength we have in our modern Navy.

Perhaps the highlight of our visit to this fine ship was the impressive firepower demonstration staged by the embarked air group. This display of airborne weapons under simulated battle conditions gave proof of how a carrier can move on the scene of a combat area and deliver the goods on target with precision and discrimination. The unique flexibility of carrier aircraft was shown to us when several planes rapidly shifted from conventional to nuclear weapons, demonstrating the mercurial adaptability of the modern attack carrier to the uncertainty of modern warfare.

The high speed of this ship plus its ability to maneuver unpredictably convinced me that the carrier is no sitting duck, but an elusive target immune to enemy ballistic missiles and quite able to protect itself against hostile aircraft with its own fighter cover overhead. I am sure that the security of our Nation rests in no small measure upon the presence of these ships deployed around the periphery of the free world.

The Chief of Naval Operations, Adm. George Anderson, recently referred to our carriers as the "gray ambassadors which speak a language of quiet diplomacy and assurance to our friends." Certainly our allies stand more confident against Communist parries and thrusts knowing that U.S. naval strength, as represented by our carrier forces, are always close at hand.

To commemorate this visit to the U.S.S. *Shangri-La*, I include in the Appendix of the RECORD excerpts from an article which appeared in the May 1961 issue of the U.S. Naval Institute Proceedings on the subject of the aircraft carrier:

THE ATTACK CARRIER—MOBILE MIGHT

(By Comdr. Albert H. Vito, Jr., U.S. Navy)

Mobile, flexible and versatile—these are the words that Navy proponents apply to the modern attack aircraft carriers. Obsolete, vulnerable, and exorbitantly expensive are adjectives that are applied on occasions by others. Perhaps no single weapon system or element of military strength has been the subject of as much controversy and dispute as have aircraft carriers in the

nearly 40 years they have been part of our seapower.

At least a portion of this controversy stems from the difficulty in grasping the elements of the carrier concept without full knowledge of carrier operations.

Much of the lack of understanding of the carrier and her function in our missile-age arsenal arises from the fact that a pierside view is the only one many persons ever get of one of these ships. Certainly this view is impressive, but only in the way that bigness is always impressive.

Let us first examine mobility, a basic asset of all naval forces. A modern carrier force can maintain cruising speeds which allow moving 600 or 700 miles a day. This means that every day a carrier is at sea, the ocean area in which she may be lurking increases by more than a million and a half square miles. This is the true meaning of mobility, the hallmark of all naval forces since the days of the trireme. Critics of the carrier deride this mobility, claiming it is ridiculous to suppose that 600 miles of movement in a day is fast in an era of supersonic aircraft and ballistic missiles, but the arithmetic of areas cannot be controverted. They compare critically the movement of naval forces with the rate of movement of a jet bomber. A more valid comparison would be that of carrier speed against the speed of the bomber's base, its fuel supply, and its weapon logistics. The same critics have discovered, however, that a missile mounted on a railroad car somehow is infinitely less vulnerable than one in a hole in the ground, even though the railroad track provides mobility along predictable paths.

Carriers have been dubbed "sitting ducks." Obviously any target, military or industrial, can be destroyed if an enemy can put against it with precision a high-yield nuclear weapon. There are no exceptions to this general statement—hardened or not, a target will be destroyed if sufficient force is applied to it with enough precision. "Enough precision" is the key phrase in this statement.

Let us assume that an enemy determines a carrier's exact position at a given moment. In the ensuing minutes, while targeting information is collated and introduced into an attack missile, the carrier steadily moves away from the calculated impact point. Which way? How fast? The enemy cannot get the answers—the carrier is invulnerable. Invulnerability to the ballistic missile was a Navy asset long before the missile itself became a reality.

The attack carrier is flexible and versatile. She is not limited to single-purpose use. She does not have to be. The carrier and her embarked combat air group can range the gamut of force, from peacefully showing the flag, through armed reconnaissance, deft attacks in small scale, and full-scale attacks with conventional weapons, or if need be, with fission and fusion bombs, all or any of these delivered with the precision and discrimination that manned aircraft alone can provide. Her striking range covers the sea, its shores, and most of the world's land targets.

All attack aircraft in a modern carrier air group and some of the fighters can carry at least one atomic weapon, and yields are as high as 50 times that of the Hiroshima bomb. Delivery methods range from classic dive bombing and horizontal level bombing to the low altitude loft or laydown method, which assist the pilot in avoiding detection and interference in his attack.

Assuming for the moment that the modern carrier does represent the epitome of mobile, flexible, and versatile military strength—what lies ahead?

Carrier developments now in prospect give a relatively good index of the direction in which we are now proceeding. A look at current research and development projects and at new aircraft in early production stages clearly indicates that the combat capabilities of the carrier and her air group will increase during the 1965–70 era. Extensive examination of future carrier capabilities measured against opposition of the predicted caliber has been accomplished by military effectiveness experts, study groups and machine computers. The studies conclude in general that against the highest caliber opposition—the effectiveness of planned carrier airpower will be better than before.

To accommodate the new aircraft and electronic capabilities that will be fitted into carrier operations in the future, new attack carriers will join the fleet. *Kitty Hawk*, *Constellation*, and *CVA–66* are all *Forrestal*-class carriers. *Enterprise*, while slightly larger to accommodate her nuclear powerplant, matches *Forrestal's* flight facilities. These ships will replace *Essex*-class ships whose 20-year life is fast ending.

Nuclear power will give *Enterprise* an even greater capability to exploit the advantages of mobility. Almost unlimited range at sustained high cruising speeds will free her from the requirements of fueling at sea. Experience with the operations of *Enterprise* will be invaluable in demonstrating to the Navy the full application of nuclear power to surface units.

What is the future of these new ships? Are their functions to remain the same? Determination of the future of the attack carrier is involved with determination of the requirements for military strength that will devolve upon the United States in coming years. There is no question but that a formidable nuclear retaliatory capability will continue to be a necessary requirement. The Polaris, which exploits inevitability of retaliation and thus insures enemy credibility, is perhaps the best embodiment of nuclear retaliation as will be needed in the future. As other nations develop a matching capability, nuclear deterrent must become less effective as an assurance of peace. It is likely that military force as an extension of national policy will become dependent upon strong conventional arms, able to bring force to bear without risking Armageddon at each new difference of opinion.

The attack carrier is the spearhead of modern seapower and forms the vital core of the U.S. Navy's strength. As in the past and present, so in the future will the airpower made available to the fleet commander by the attack carrier be the element that permits the fleet to function in the face of determined air opposition. Amphibious warfare, sea supremacy, and our entire limited war capability are always dependent upon the presence of the air strength that the attack carrier brings into the area of operations. Without her, our ability to control the seas would be limited to sporadic, hit-and-run attacks.

We must, like the Romans, "Maintain the peace by constant preparation for war and by indicating to our enemies that we are as little disposed to endure injury as to offer it." Our mighty, modern, attack carrier force continues to be a fundamental element of our national strength, for accomplishing this end.

Congressman Paul Brown

SPEECH
OF
HON. FRANCIS E. WALTER
OF PENNSYLVANIA
IN THE HOUSE OF REPRESENTATIVES
Monday, September 25, 1961

Mr. WALTER. Mr. Speaker, one of saddest moments in my life here in Congress, I believe, came last year when my colleague, Representative Paul Brown, announced his retirement.

It was a sad moment because Paul Brown and I came to Washington together some 29 years ago and we became very close friends.

Members of Paul's family, who also were close to me during these years, kept me posted on his activities since his retirement.

His death this past weekend at his home in Elberton, Ga., removed from our midst a great public servant. And, also, it removed from my circle one of my truly great friends.

Never have I met a finer gentleman than Paul Brown. He was devoted to his family, his friends, his State, and his country.

Time will mark Paul Brown as a great legislator. His work on the House Committee on Banking and Currency was brilliant.

Many of us who served with Paul Brown have benefited from his advice. He always was ready to aid other Congressmen in answering questions for constituents concerning banking laws of our country.

Aside from the great contributions he made as a legislator, Paul Brown made many more contributions as a friend of everyone.

I join with these friends in expressing my deepest sympathy to his wife and daughter on the loss of their husband and father.

Resolutions Adopted at National Convention by Knights of Columbus, Denver, Colo., August 15-17, 1961

EXTENSION OF REMARKS
OF
HON. GORDON ALLOTT
OF COLORADO
IN THE SENATE OF THE UNITED STATES
Wednesday, September 27, 1961

Mr. ALLOTT. Mr. President, under unanimous consent I include in the RECORD a copy of resolutions adopted by the Knights of Columbus during their national convention in Denver, Colo., August 15 through 17. These resolutions have a particular significance to all of us since they pertain specifically to the Communist menace throughout the world, a menace which seeks to destroy the very Chambers in which we conduct the daily business of Government. I therefore commend to all my colleagues a thorough reading of these most important resolutions:

ON CUBAN SITUATION

"Whereas we are faced with the unescapable fact that the island of Cuba, 90 miles off our shores, site of the American naval base that guards America's southern defenses, anchor for our defense of the Panama Canal, and key to the political future of Latin America, is today a totalitarian dictatorship and a Communist beachhead in the Western Hemisphere; and

"Whereas Cuba is today a one-man government, held together by promises and fears, with control of the island's economic, politi-

cal and social institutions taken over by one of the best organized Communist apparatus in the Caribbean; and

"Whereas the loss of the Catholic nation of Cuba to the Communist conspiracy is a cause of great concern to all Americans and especially to the Knights of Columbus, whose members are deeply concerned for the welfare, well-being and plight of their fellow Catholics and for the welfare of the order in that country; and

"Whereas the Knights of Columbus, dedicated to the advancement of Christianity and the promotion of patriotism, have on many occasions raised their voices in protest against communism and the evil it represents, and as early as 1926 called the American nations attention to the danger of this then new irreligious philosophy that was just beginning to spread itself throughout the world, and did then embark upon a systematic campaign of education throughout the Americas for the purpose of arousing the sentiment of the people to this new danger, and this at a time when few Americans knew what the word 'communism' meant.

"Resolved, That the supreme council of the Knights of Columbus in annual convention assembled again calls for deep contemplation of the seriousness of the Communist takeover in Cuba and of its special concern for its members and fellow Catholics living in that country, and extends prayers, comfort, and solace to all of them to the ends that their nation may some day soon thrive under the sacred principles recognized by free governments everywhere as fundamental truths, that all men are created free and equal, that they are endowed by Almighty God with the right to life, liberty, and the pursuit of happiness; be it further

"Resolved, That we recognize the fact that national moral conviction is the main weapon that can stop an enemy who knows that he need not resort to atomic weapons when his victim has shown signs of a lack of courage and moral conscience, and that we will heed the alarm of patriotic and dedicated Americans who have been warning about this national weakness for the past decades, and will extend even greater efforts to create a spiritual atmosphere in the countries wherein the order now flourishes so as to prevent a repetition of the Cuba episode elsewhere."

ON COMMUNISM

"Whereas America, Canada, and the entire free world face today and for the foreseeable future an unprecedented challenge to its free institutions, security, and growth, which challenge stems from the rise to power of Communist regimes in Russia, China, and their satellites; and

"Whereas the Communist challenge to the free nations and to the fledgling nations emerging from colonialism in Africa and Asia, is posed on many fronts at once—military, economic, political, and ideological, which can only be met through proper understanding, steady nerves, a spirit of greatness, and a military buildup of forces as a warning to the Communists that free nations will not take one step back from this serious challenge and threat; and

"Whereas the President of the United States has called for united support in his emergency program to strengthen the Armed Forces and the military might of his country and the NATO nations, and has the almost unanimous bipartisan support in the Congress of the United States of America; and

"Whereas the Knights of Columbus has been committed for many years to vigorously oppose communism in its conspiracy and plan to destroy Christianity and the constitutional governments of the free nations of the world; be it

"Resolved, That the supreme council of the Knights of Columbus, in annual convention assembled, having long recognized the incompatability of communism with the Christian faith and the political concepts of democratic America, wholeheartedly supports the actions of the President and the Congress of the United States in the emergency steps taken to meet the sweeping challenge and threats of communism not only in Berlin but in the whole world; and be it further

"Resolved, That our members everywhere be urged to acquire a working knowledge of communism's features and characteristics and its historical background, since such knowledge is indispensable to meet the challenge, pointed out in the warning of Pope Pius XI in 1937 that communism has spread so rapidly even though it has long since been rejected scientifically and proven erroneous by experience because too few people have been able to grasp the nature of communism and its tactics, strategy, and objectives."

ON ADMISSION OF RED CHINA TO THE UNITED NATIONS

"Whereas the existing country of Red China, being an illegitimate government born of brutality, blood, and barbaric bestiality; and

"Whereas, by reason of its existence, this Government negates the qualifications necessary for its entrance into the community of civilized nations; and

"Whereas, as a free people, we must be opposed to Communist imperialism for the same reason that truth is opposed to falsity, freedom to tyranny, love to hate, and kindness to brutality; and

"Whereas, for the same reason that good cannot clasp the hand of evil without becoming evil, we cannot offer friendship to tyrants and murderers without advancing the cause of tryanny and murder; be it

"Resolved, that the supreme council, Knights of Columbus, stands firmly opposed to the admission of Communist China into the United Nations at any time and under any conditions; be it further

"Resolved, that this resolution be transmitted to the Secretary of State of the U.S. Government."

ON THE FEDERAL BUREAU OF INVESTIGATION

"Resolved, that the supreme council publicly endorses the Federal Bureau of Investigation and particularly its Director, J. Edgar Hoover, for the outstanding work being done by this agency and its Director, both in combating the Communist conspiracy and in setting an example of efficiency for all governments to emulate."

IMPRISONMENT OF BISHOP JAMES E. WALSH, M.M., BY RED CHINA

"Resolved, that the supreme council of the Knights of Columbus urges the President of the United States and the Secretary of State to continue to use every possible means to effect the release of Most Rev. James E. Walsh, M.M., former superior general of the Maryknoll Fathers, who is still imprisoned by the Communist government of China; be it further

"Resolved, that a copy of this resolution be sent to the President of the United States and the Secretary of State."

Before calling the 79th supreme council meeting to a conclusion, Supreme Knight Hart announced that the 80th supreme council meeting will be held in Boston, Mass.

John McCormack—A Great Man and a Great Leader

SPEECH

OF

HON. A. S. HERLONG, JR.

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Saturday, September 23, 1961

Mr. HERLONG. Mr. Speaker, I want to associate myself with my colleagues in congratulating JOHN MCCORMACK on his coming of age as majority leader. Whether or not I can match the eloquence of the tributes which have been tendered to him, I yield to no one in my admiration of him as a statesman and as a man.

During the 13 years that I have been privileged to serve in this House, JOHN MCCORMACK's ability as a leader has commanded my respect, while his uniform kindness and fairness have commanded my personal regard for him.

To his party, to the House of Representatives, and to the Nation, JOHN MCCORMACK has rendered service far and above the call of duty.

I am happy to have this opportunity to express my appreciation for his leadership in the past, and my continued confidence in his leadership in the future in whatever capacity where he may be called upon to serve.

Progress Report to the People of the Eighth Congressional District of Indiana

EXTENSION OF REMARKS

OF

HON. WINFIELD K. DENTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 27, 1961

Mr. DENTON. Mr. Speaker, I am proud to submit the following "Progress Report" to the people of the Eighth Congressional District of Indiana.

In this report, I have set out what I believe to be the accomplishments of the Congress and the administration during the past session of the Congress. I have pointed out accomplishments for the Eighth District of Indiana. This has been a Congress of hard work and progress, and I am proud of its record. I am also proud of the new Kennedy administration. We have leadership and confidence again in the saddle. I herewith submit my "Progress Report" for the 1st session of the 87th Congress to the House of Representatives:

PROGRESS REPORT TO THE PEOPLE OF THE EIGHTH CONGRESSIONAL DISTRICT OF INDIANA

The end of the 1st session of the 87th Congress is here. It has been a very busy and productive session for all America and the entire free world. As has been my custom in the past, I am again this year briefly reviewing for the people of my district, some of the major accomplishments of the Congress and the administration.

First, to the local scene, I would like to focus attention on some projects and accomplishments of the past several months as they affect the Eighth District. When the new Democratic administration took over the reins of Government in January of this year, the Eighth District, like many other parts of the country, was in the grips of a severe recession. President John F. Kennedy sought action. The Congress responded by providing some of the most positive and progressive legislation to come out of Washington since the days of the first Roosevelt Congress and his 100 days.

Let's look at the record. The recession, for all practical purposes, is over. While unem-

ployment in the district and around the country is still high, it is slumped off quite a bit. While there remains much to be done to improve the situation in areas like Pike County, the city of Evansville and others, the situation has improved. Progress has been made.

With passage of the Area Redevelopment Act, those areas of the district suffering from the effects of the recession have been offered hope and financial assistance from the Federal Government in order to relieve their problems. Some $394 million is provided under the act to assist communities, such as Evansville, to improve their community facilities, to attract new industries, to retrain workers displaced by the recession, and to enable these communities to start growing again. This program will be an effective aid to the district. The depressed areas bills of previous Congresses had been vetoed by former President Eisenhower. One of the first such bills introduced was one which I sponsored several years ago. I also introduced this legislation again this year, and am greatly pleased with the results.

Evansville has already presented its overall economic program, required under the new Area Redevelopment Act, passed by the Congress, to the administrator of the program. It has been approved by the agency, enabling the city to qualify for Federal loans and grants. City needs, such as sewer and street improvements will be emphasized in requesting funds and other assistance.

The eighth district will also benefit from the rural areas redevelopment program, administration of which is being handled by the Department of Agriculture. Under it, as provided by Congress, four district counties at this time have been certified as eligible to submit overall economic programs. When these are approved, the counties will be eligible for assistance in the form of loans and grants to stimulate economic growth in the areas, improve community facilities, recreational improvements, and for other purposes. Other counties in the district may be eligible under this program in the future. The four certified at this time are: Clark, Crawford, Harrison, and Perry.

Let's look at flood control. Here, we scored a "grand slam." We received just about everything which we asked for. It works out this way, as approved by the Congress in the public works appropriations bill for fiscal year 1962:

Cannelton locks and dam: $750,000 for construction.

Levee No. 5, Wabash River: $49,000 for planning.

Mason J. Niblack levee: $350,000 for construction.

Mississinewa Reservoir: $500,000 for construction.

Monroe Reservoir: $940,000 for construction.

Salamonie Reservoir: $700,000 for construction.

Uniontown locks and dam: $125,000 for planning.

McAlpine locks and dam: $5,500,000 for construction.

Markland Dam: $13,700,000 for construction.

Evansville flood wall: $100,000 ($200,000 of previously approved funds available for this project—specifically then, $300,000 is available).

Additionally, some $10,000 is included in the public works appropriation bill for a flood control survey on Pigeon Creek, near Evansville. Some $5,000 is also included for similar work on Oil Creek in Perry County.

Watershed projects in the eighth district this year include the following: the Middle Fork of Anderson River in Perry and Crawford Counties, where nearly 70,000 acres of land will form a watershed protection and flood control project. Applications are presently pending in the Department of Agriculture for the following watershed programs: Crooked Creek in Spencer; Muddy Fork of Silver Creek in Clark, Floyd, and Washington; North Branch of Little Pigeon Creek in Spencer and Warrick; Pigeon Creek in Gibson, Warrick, Vanderburgh, and Pike; Stucker Fork in Clark; Lost Creek in Orange, Lawrence, Washington, and Dubois; Little Pigeon Creek in Warrick, Spencer, and Pike. The first watershed project in the country to be approved under the act passed by Congress in August of 1954 is located in Perry County in the eighth district.

I am very much in favor of these projects, as they provide much needed flood control and recreational facilities which will be a real asset to the entire district. I will naturally follow through on these projects and do all that I can to help them along.

Other developments of importance to the people of the eighth district include:

1. General Services Administration declaring some 67 acres at the Indiana Arsenal, Charlestown, surplus, thus allowing Clark County to acquire 40 acres of this land for use as a 4–H Club fairground.

2. Reactivation of part of the facilities at the Indiana Arsenal, Charlestown, to provide ammunition needed in the additional national defense buildup * * * will provide from 300 to 375 additional jobs for an area hardhit by unemployment.

3. Passage of the Lincoln Boyhood National Memorial bill * * * both Houses of the Congress have approved this bill, but it will have to go to conference committee to iron out minor differences.

4. Selection of the southern route for Interstate Highway No. 64 will mean the road will be close to Evansville and will permit better integration and supplementation of the highway and water modes of transportation—will be near the area which has the greatest potential for future growth of those considered for the route.

5. New Albany received approval from the Housing and Home Fnance Agency of its workable program for community improvement through the elimination of slums and blight. This approval must precede Federal loans and grants for urban renewal projects and for low-rent housing projects.

6. Evansville received a Federal advance of $37,594 to undertake preparation of a general neighborhood renewal plan for the south center urban renewal area.

7. Jeffersonville received a Federal advance of $109,032 to undertake preparation of a general neighborhood renewal plan for the Port Fulton urban renewal area.

8. The Louisville District, Corps of Army Engineers, awarded Traylor Bros. Inc., Evansville construction firm, a contract for the construction of the dam and appurtenances at the McAlpine locks project on the Ohio River. Amount of the contract: $8,811,000.

9. Charlestown received approval of its application for community facility improvements program. This enables the city to receive Federal assistance in the form of loans and grants for slum clearance and rehabitation for public housing.

10. The Rural Electrification Administration granted the Smithsville Telephone Co. a loan in the amount of $246,000. Will provide better telephone service for the people of Posey County as well as many others.

11. Congressional approval of the Federal judgeship bill provides for 73 new Federal judges. Indiana received two of these, one for the southern and one for the northern district of the State. (My amendment to the judgeship bill secured the two judges for Indiana, instead of just one as provided in the original bill.)

12. White County Bridge Commission bill passed by both Houses of Congress as an amendment to a bill which would authorize annual audits of certain interstate bridges and determine the length of the terms of office of their commissioners. (I think that we are finally nearing the end of a long, hard fight to make this bridge a "free" one—as it certainly should be after this long period of time. We will attempt to get final action on this bill at the next session of Congress.)

13. Army Ordnance has just awarded a contract in the amount of $6,746,001 to the Liberty Defense Powder Corp., a division of the Olin Mathieson Chemical Corp., for the production of propellants. The work will be carried out at the firm's Charlestown, Ind., Arsenal, and at the facility on the Wabash River at Newport, Ind. This will provide an assist to the economy of the Clark-Floyd County area.

I am particularly pleased that several of my proposals, either incorporated in bills which I introduced at this session, or similar bills, have been passed by the Congress and signed into law by the President. These include:

H.R. 4403: So-called Denton depressed areas bill—very similar to S. 1 (Senator Douglas, of Illinois), which passed Congress and became law under the title of Area Redevelopment Act. Will be of great assistance to areas of chronic and persistent unemployment such as Evansville. Became law this year.

H.R. 4406: Federal judges for Indiana—my bill provided for two additional Federal district judges for the State of Indiana, one for the southern and one for the northern district. Passed as part of the Federal judgeship bill providing 73 additional Federal judges. Became law this year.

H.R. 4408: White County Bridge Commission bill—to provide for the annual audits of bridge commission's books—terms of office of commissioners, etc. Passed both Houses of Congress, as part of general bridge audit bill. Must have minor differences ironed out. Passage seems likely early in next session. (Final victory is in sight in the long battle to make the White County Bridge a free one.)

H.R. 3518: To transfer certain land in Clark County, located at the Indiana Arsenal, Charlestown, to the 4–H Club of Clark County; legislation was not necessary as I was able to arrange for the transfer of this property from the Army to the General Services Administration. GSA has declared 67 acres of this land "surplus," thus allowing the 4–H Club of Clark County to apply for the 40 acres which they want for use as a fairgrounds.

H.R. 2470: Bill to establish lasting Lincoln Boyhood National Memorial at site of Abe Lincoln's home in Spencer County—for 14 years of his life—has passed both Houses of the Congress, and after minor differences are ironed out in conference committee early next session, it will most likely be speedily approved by Congress and become law.

H. Res. 169: To establish a committee of the Congress to study the effects of automation—because of the interest shown in this bill and those introduced by other Members of Congress, a special Subcommittee of the House Education and Labor Committee, headed by Congressman Elmer J. Holland, Democrat, of Pennsylvania, began a study of this problem.

Administration accomplishments on the domestic front.

To combat the recession:

Temporary unemployment compensation extension: Passed 63 days after taking office.

Aid to dependent children of the unemployed.

Area redevelopment: Most comprehensive bill ever offered—first to pass; Eisenhower had vetoed earlier versions.

Social Security amendments: Included first reduction in the age of retirement for males—62—almost 5 million people will receive new or increased benefits.

To get the country "moving again":

Housing: The most comprehensive housing program in the history of Congress; major

expansion of urban renewal, public housing, housing for the elderly, college housing; first major middle-income housing—3 percent down payment; first aid to local mass transportation; first protection of open spaces in urban areas.

Water pollution control: 5-year doubling of program to provide benefits to 5,000 communities with 42 million people.

Minimum wages: $1.25 an hour and first increase in expansion of coverage (3.6 million), since 1938 original passage.

Space: Authorized trip to moon and beyond.

Community health facilities: Nursing homes for the aged, hospital rehabilitation, community services for the aged.

Agriculture: The best farm income year since the Korean war; emergency feed grain bill, reduction in acreage will be 3 times larger than best prior year, will help reduce great grain storage costs; omnibus farm bill, most comprehensive since 1938, expanded use of marketing orders-first wheat and feed grain programs since World War II; revisions of farm credit; Great Plains conservation program; expanded school milk; food for peace increased; savings to the taxpayers estimated at $800 million.

Further administration progress includes:

Federal judgeship bill passed: Provides 73 additional Federal judges.

Balance of payments position much better: (Under Kennedy administration leadership, our holdings of gold and convertible currencies increased by approximately $60 million during the second quarter of this year); gold outflow stopped, slight gains reported, in March of this year we had, for the first time since October of 1959, an increase in our supply of gold; that month, we showed an increase in our favor of $15 million.

Office of International Travel established: To promote foreign travel in this country.

Civil defense: First serious shelter program.

Federal aviation and highway bills passed.

As a side light to this discussion, I would like to mention the fact that as a member of the House Appropriations Committee, I have this year, as I have in years past, worked for, and voted for, the adequate funds necessary for the construction of hospitals under the Hill-Burton Act, and for the research made necessary in the fight to determine the cause and cure for the following: Cancer, heart trouble, mental illness, contagious diseases, nervous disorders, allergies, and other diseases such as diabetes.

ADMINISTRATION ACCOMPLISHMENTS ON FOREIGN FRONT

The Kennedy administration inherited some of the worst problems in the foreign affairs field of any that previous Presidents had found when they took the oath of office. The Congo, Laos, Cuba, Berlin were all inherited from the old, previous administration. The Republicans had painted a "Rosy Picture"—both on the domestic and the foreign fronts. "All is well," was their cry. Yet, all was not well, at home or abroad. The situation on the homefront has been greatly improved under the effective leadership of Jack Kennedy and the intelligent men and women who are helping him in the new administration. The recession has been effectively stopped; unemployment is being cut back gradually, but firmly; the economy is on the upswing again. Business is good. In other words, the country "is on the move again."

The President has taken a firm hold on matters overseas, and the confidence of our allies and their people in this country is again being restored to the place where it should have been for the past 8 years. The former administration has swept foreign problems under a "rug of indifference." Kennedy has taken hold, and is proving to the whole world that this country will not be pushed around. We will stand firm on Berlin. On the United Nations. On disarmament through effective control mechanisms. Let's look at some of the trouble spots around the globe and the action that the Kennedy administration has taken:

World danger spots:

1. Berlin: A firm and resolute position; additional forces sent to back up insistence on continued Western rights, and continued freedom for the city.

2. Laos: Military debacle in January may be converted into neutral and independent state by virtue of our successful insistence upon a cease-fire before negotiations, and on supervised guarantees of independence. Allied policy is now unified again there.

3. South Vietnam: Vastly increased military assistance and the Vice President's trip have strengthened Diem government and its resistance to guerrilla infiltration.

4. Latin America: Despite setback in Cuba, more accomplished than any other time since Roosevelt's "good neighbor policy," objectives are to strengthen democratic relations, isolate communism and Castroism; (a) Alliance for Progress: funds voted, Uruguay Conference a success—emphasis on social reform and education as well as growth; (b) special assistance to Bolivia, Brazil, Venezuela, Argentina, and Chile; (c) increased broadcasts, trade agreements and defense coordination.

5. The Congo: Even though the situation there is still confusing, the early forceful stand of the United States against Soviet interference, helped the United Nations and local leaders to work out a stable and independent government.

6. Angola: Where U.S. vote in the United Nations won great acclaim in the Afro-Asian bloc as showing the new U.S. leadership for the principle of self-determination.

7. Other: Quiet, but effective U.S. statesmanship helped to prevent more serious crises in the Dominican Republic, Tunisia, Thailand, and elsewhere.

Major Kennedy administration initiatives in Foreign Affairs include the new, 5-year mutual security program, with a new agency to handle the program. The administration has promised that it will insure a program free from waste, corruption and inefficiency as was fairly prevalent under the previous handling of the foreign aid program. The 5-year provision of the program will insure long-range planning with foreign countries on various aid projects, but will also leave the control of the purse strings in the hands of the Congress, where it should be.

Establishment of the Peace Corps brings to the assistance of the Government dedicated men and women of all ages with all types of training and specialities. They will go out among the peoples of the underdeveloped countries around the globe and help them to help themselves. They will live with them, eat their food, live in the same kind of homes, ride the same modes of transportation. They will help erase the image of the "Ugly American." Further progress overseas will come with the establishment of the Arms Control Agency, which will work on the pressing problem of disarmament.

I return to the people of the Eighth Congressional District of Indiana with the knowledge that this Congress has done more for the American people than any Congress in almost 30 years. We now have a leader in the White House. We have world respect again. We have the confidence of our allies. We have a country on the move again.

Nothing can stop us, as a Nation or as a party, from moving ahead. For both are composed of the most enlightened, the best educated and the most warmhearted people on earth.

Resolutions at New England Governors' Conference

EXTENSION OF REMARKS
OF
HON. EMILIO Q. DADDARIO
OF CONNECTICUT
IN THE HOUSE OF REPRESENTATIVES
Wednesday, September 27, 1961

Mr. DADDARIO. Mr. Speaker, with the increased emphasis on reserve readiness in the Armed Forces of the country, it is important that we look to see that the best possible facilities and training are available to our troops.

Gov. John N. Dempsey, of Connecticut, has taken a great deal of interest in these matters, both as Lieutenant Governor and now as Governor. He has particularly watched the development of the National Guard troops of Connecticut, and has visited personally the troops of the 43d Infantry Division, a Connecticut, Rhode Island, and Vermont organization, while they were undergoing active duty for training at Camp Drum, N.Y.

Camp Drum is an inactive Army reservation which is opened each year for the field training of all Reserve and National Guard divisions in the First Army area. As such it receives intensive use during this training cycle. Indeed, I am told it takes in the largest number of reserve troops for such training of any such installation in the country, including seven divisions.

Obviously the quality of the training which these reserve officers and National Guard officers and the active Army can give their troops depends considerably on the maintenance of the training facilities and the modernization of the ranges and roads. Governor Dempsey, however, has alertly noted that the camp was originally designed as an armored division training center; that it has been used intensively over the years with consequent deterioration of roads, training areas and communications, and now offers the 90,000 troops who train there during a given summer something less than perfection.

I am sure that 1st Army, under Lt. Gen. Edward O'Neill, and the Department of the Army itself, have given careful consideration to the needs of the camp and have furnished what improvements they can within priorities demanded by the budgets approved by Congress. But modernization has been effected in some regular camps, although possibly not to the degree desired. Installation of trainfire ranges, to bring rifle training up to date, for instance, has not been completely effected.

If we are to raise the level of training in our Reserve forces so that it parallels, where possible, the training given Active Army troops, and thus insures that the Army of the United States will be in a better stage of preparedness, I think we should review the modernization of all such installations as Camp Drum. That would include, I assume, Indiantown Gap, Pa.; Camp McCoy, Wis.; A. P. Hill

Military Reservation, Va.; Camp Pickett, Va., which is now being used as such a training center; and Camp Ripley, Minn.; among others. It might also require additional improvements for Active Army training centers such as Fort McLellan, Ala., and Fort Hood, Tex.

Certainly the status of these facilities deserves attention as part of our overall program to improve Reserve readiness. I submit the resolution of the New England Governors in behalf of such steps at Camp Drum, N.Y., for your attention.

RESOLUTION OFFERED BY GOV. JOHN DEMPSEY, OF CONNECTICUT, TO NEW ENGLAND GOVERNORS' CONFERENCE AT KENNEBAGO LAKE, MAINE, SEPTEMBER 11, 1961

Whereas today's international tensions emphasize the increased training needs of the National Guard and the Reserves; and

Whereas essential to the fulfillment of these needs are training facilities comparable to those of a modernized Army; and

Whereas, Camp Drum at Watertown, N.Y., annually used by more than 90,000 troops from the New England States, New York, and New Jersey for instruction and field duty, is in need of more modern facilities if these troops are to attain the required state of readiness: Now, therefore, be it

Resolved, the New England Governors' conference, urges that a program of modernization of its facilities be undertaken with all possible speed; and be it further

Resolved, That the Governors of the New England States join with the Governors of New York and New Jersey in any cooperative effort which may be required in behalf of such a modernization program.

Is the Congress Mentally Ill?—Is That Our Defense?

SPEECH

OF

CLARE E. HOFFMAN

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 26, 1961

Mr. HOFFMAN of Michigan. Mr. Speaker, a Congressman's first duty is to protect the national security, the national sovereignty, and the public welfare.

From the date when the right to a trial by jury was first established, the one test as to the individual's responsibility was whether he knew the difference between right and wrong. The standard as to whether conduct is right or wrong is established by the thinking of the majority. If one lived among cannibals, eating a mother-in-law or the British officer, Lt. Simon Donaldson and his wounded companion, Pvt. William Mackay, by natives in Katanga, was no offense, while here cannibalism is not only a crime—murder—but horrible, revolting, and unthinkable.

But thinking and standards have changed and a year or two ago a U.S. court in the District of Columbia established a new doctrine, that is, that one accused of crime "is not criminally responsible if his unlawful act was the product of mental disease or mental defect."

Inasmuch as the mentality or the state of mind of all of us varies in some degree, today if one who has committed a crime has money, a capable lawyer, or even just the lawyer, he can escape punishment by having relatives or friends detail abnormal acts committed by him since he was a child, embody them in a hypothetical question, call a psychiatrist—an expert in mental diseases—who will, answering the hypothetical question and assuming the facts stated in the question to be true, express the opinion that the individual charged is suffering from a mental disease or has a mental defect.

Hence, unless the prosecution can establish beyond a reasonable doubt that the defendant is sane, a verdict of not guilty must be returned. The individual then goes to a mental institution—here in Washington, to St. Elizabeths—and if thereafter other experts viewing him determine that he is sane, he is discharged. The crime goes unpunished, and as happened here, the defendant murders several other individuals.

Inasmuch as it is the duty of the Congress to protect the security of the Nation and the welfare of the people and obviously threatened by war, as we now are, there being somewhere a limit to our ability to finance and successfully carry on a war, is the Congress justified in continuing to dissipate its resources in nonessential activities and expenditures, however desirable, when they do not tend to maintain or increase our military strength?

On September 25 the President told us that, while we wished to avoid war, we would continue our effort to extend aid, bring freedom to people throughout the world, that we would not desert West Germany.

If Khrushchev backs his words with action, devastating war is just over the horizon.

Rightly the President has called for and Congress has appropriated billions upon billions for national defense. The President is calling men from their homes into the armed services, sending advance detachments overseas.

The threat of a war which might destroy us is with us. This being true, is the Congress lessening our ability to make possible a successful military defense?

We have a national debt of more than $288 billion. We now pay an annual interest charge of almost $9 billion—for which we get nothing at all except a postponement of the payment date.

The Democratic chairman of the House Committee on Appropriations, which is charged with appropriating your tax dollars, from the well of the House recently said we were spending each hour of every 24-hour day $1 million more than we took in. That is, each day we add $24 million to our national debt. Increase the annual interest payment—water over the dam, under the bridge—money down a rat hole.

Inasmuch as to be successful in war a nation must be economically, financially sound and highly productive, as well as being able to produce courageous, skilled fighting men, is it not a sign of a mental disease or defect when the Congress, knowing however distant it may be, there is a limit to our natural resources, our manpower and our productive ability, continues to spend public funds on enterprises which, however desirable and helpful, do not contribute to our war potential, our ability to make our future secure?

Is the Congress showing sound mental judgment when, knowing the threat of an immediate war from a foe acknowledged to be almost our equal if not our superior in productive ability and military might, it authorizes the expenditure of a billion dollars, as we have, for a trip to the moon? War, if it comes, will not be fought on the moon. How will that expenditure, however desirable from a scientific standpoint it may be, contribute to the situation now confronting us?

Is there something wrong with our mentality or judgment when we authorize, as we recently did, the expenditure of $20 million on an aquarium in one of Washington's federally owned buildings? Does that expenditure at this time indicate a mental or other defect?

By Executive order the President established a Peace Corps and in his contingent fund had money to operate it. Yet he insisted the Peace Corps be made permanent, although the State Department already had authority and money to do everything which a Peace Corps, made up of young American volunteers, can do. This at a cost of additional millions.

The other day we were asked to create an Advisory Council—more millions—to help the Government to advise on the arts.

Do the last two actions and many other similar ones prove that, in preparing to protect our individual freedom and our national security, we are using good judgment?

The list of additional expenditures, none of which will contribute to the winning of a war, might be extended indefinitely.

Just one more incident. The Congress permitted, refused to rebuke or disown, a representative of the State Department who, without any authority, pledged us to give South American countries $20 billion. This when we all know that in Congress rests the sole authority to authorize the expenditure of your dollars. We must either make good on the promises of our representatives who have no authority to create such obligations, or repudiate those who speak for the administration.

Mr. Speaker, permit me to again ask as in the beginning: Is the Congress suffering from some mental disease? Does it have a mental defect?

Is it getting ready to win a threatened disastrous war?

Has it in mind, as its primary purpose, the future security of our country or is it helping the executive department or both political parties shop around for votes—for support from minority groups—from those who always, one way or another, by fair means or foul, make a profit out of war, out of the misery and suffering—many times the death—of

those who are called upon to fight a war?

Today we are asked to continue encouraging people without training or prospect of employment to become residents of the District, knowing as we do that we must, at least for the present, furnish them homes, food, clothing and, according to the present bill, educational opportunities—thus adding to the Nation's already overwhelming burden, thus lessening our ability to make adequate defense if war comes.

The Role of the Peace Corps in America's Foreign Program

EXTENSION OF REMARKS
OF

HON. HERMAN TOLL

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 27, 1961

Mr. TOLL. Mr. Speaker, I have recently received a copy of an address by Milton J. Shapp, president of the Jerrold Electronics Corp., Philadelphia. The occasion was the annual awards dinner of the American Jewish Congress.

Mr. Shapp's speech, "The Role of the Peace Corps in America's Foreign Program," vividly points out the usefulness of such a Peace Corps. I am strongly in favor of the views of Mr. Shapp, and I know that many of my colleagues supported such a program in the passage of the bill.

I include this address in the RECORD, so that all Members can read it:

THE ROLE OF THE PEACE CORPS IN AMERICA'S FOREIGN PROGRAM

(Address by Milton J. Shapp, president, Jerrold Electronics Corp., Philadelphia, Pa., Annual Award Dinner, American Jewish Congress, Warwick Hotel, Philadelphia, Pa., June 14, 1961)

Last June, President Kennedy spoke to the Nation upon his return from meeting Mr. Khrushchev in Vienna. He stated two main goals of the United States; one, to strengthen the unity of the free world; and two, to build a lasting peace. However, President Kennedy stated, "The Soviets and ourselves have wholly different meanings for the same words—war, peace, democracy, and popular will. * * * We have different views of what is an internal affair and what is subversion; and above all, we have widely different concepts of where the world is and where it is going."

Peace is a wonderful word, but it does not mean the same to everyone. We in America tend to think that we have peace when there is an absence of armed conflict. This is not the definition used by other peoples. To attain our goals, we must look the the problems of the world through the eyes of others as well as our own.

Hundreds of millions of people in this world are not at peace today, because they can no longer tolerate the wretched poverty of their daily existence or the tyranny of the dictatorship under which they live. Can a woman find peace while she watches her children starve, or her husband flogged or shot for daring to speak out? These tyrannies are not confined to Communist countries, but are quite prevalent in the so-called free world.

True peace demands that there be freedom from want, that there be social justice, and that human beings be treated with dignity.

The May 27 issue of the Saturday Review contained some startling statistics. Four-fifths of the world's present population—80 percent—have not enjoyed the luxury of eating one square meal in their lifetime—nor is it likely that they will do so during the rest of their lives. Almost half of the children of the world—47 percent—will not have the opportunity of stepping inside a schoolroom at any time during their lives—even to obtain the barest minimum of an education.

Mr. J. Peter Grace, president of W. R. Grace & Co., recently published a provocative booklet entitled, "It is not too late in Latin America." In this book he reveals that 120 million of the 200 million people in Latin America are living amidst squalor in caves, under bridges, or in filthy dilapidated shacks in horrible slums. Their existence is wretched by any standard. If we are to enjoy our kind of peace, they must find theirs.

Further, we tend to think of peace as a world order of which Americans will be the main beneficiaries. The United States represent only 6 percent or 7 percent of the total population of this globe. Peace for others might very well be achieved by our elimination as a powerful Nation, thereby reducing the possibility of involving the world in a nuclear war.

Let's be honest. Are we any less callous? How many of us are concerned with the fact that perhaps 20 or 30 million people will starve this year in China because of the great famine that is afflicting that nation? Or are we secretly glad that this tragedy will weaken the Communist regime and thus relieve the pressures on ourselves? How many of us are concerned about the unfortunate human beings in the Congo who are suffering from the ravages of civil strife? Or is our real fear that conditions there may erupt into a conflict that would involve us?

If we are to attain true peace in the world, the task we face is enormous. Wishful thinking—slogans, flag waving. These devices will not keep America strong nor prevent the spread of communism.

No nation in history was ever better equipped than ourselves to meet the challenges of its time. Do we wish to reverse the flow of the Mississippi River between New Orleans and Memphis? We can do it. Do we wish to irrigate the entire Southwest? We can do it. Do we wish to put a man on the moon by 1970? We can and will do it. Do we wish to provide the opportunity for everybody in the world to be well-fed and housed so they can enjoy true peace?

We can do it. For the first time in history, a nation has the wealth as well as the technical and intellectual ability to mold its own future completely independent of previous historical trends.

To be successful, we must understand the true nature of the problems we face, and make an all-out effort to tackle them. Only then can we build a world in which our children will find security.

We who live seven generations after our own revolution have achieved great stability. We like to do things in a staid, orderly fashion, walking along familiar paths. But in the emerging nations of Asia, Africa, and Latin America, there is no tradition of stability or pattern of steady progress. Youth is in the majority and in the ascendency.

Over 40 percent of the population of Latin America is under 15 years of age; the average age is but 21. Under the impact of the population explosion the trend is for an ever lowering median age.

We have difficulty understanding our own teenagers. Is it little wonder that the programs of foreign aid we have undertaken so far in the impoverished nations have failed to achieve notable results? These programs have not been geared to the needs of, nor do they satisfy the desires of youth. Youth is demanding the benefits of a better life for itself—in this generation. It is not interested with statistics that reveal 2 percent or 4 percent or 6 percent growth, but wants to accomplish in decades that which has taken other nations centuries to achieve.

There is an old saying in the advertising business: "I like strawberries, but when I go fishing, I use worms, because that's what the fish like." The Communists have been very busy fishing in troubled waters with much greater success than ourselves. Why?

It is obvious that Mr. Khrushchev and his associates have shown a greater understanding of the real problems than have we. Mr. K. repeatedly states his desire that the world avoid war, yet he says that the Soviets will redouble their efforts to help the peoples of the world throw off the yoke of colonialism and imperialism and establish governments that will no longer exploit the people. To us, this means subversion, revolution, and conflict, the very essence of what we wish to avoid. Yet, to the masses of people living in the developing countries Mr. Khrushchev is enunciating a program that is consistent with their aspiration for peace with freedom from economic want, with social justice and with dignity for each human being.

We find ourselves faving several dilemmas. Our traditions place us in complete sympathy with the desires of the underprivileged masses to achieve a better life. Yet we shirk at the expense in dollars and in effort to achieve this goal. We have established strong military, political, and economic ties with the ruling elements of many countries; but quite often these are the forces responsible for maintaining conditions of misery and tyranny that we deplore.

As much as we may desire, we cannot terminate these relations at once and throw our support to those who are demanding change. To do so might not be to their advantage or to ours. This could bring complete chaos as has been observed in the Congo, and might prevent this generation from receiving the material, social, or cultural benefits they hope to enjoy during their lifetime.

Further, sudden breaks with some ruling forces might create worldwide instability. Many of these governments support us diplomatically in the United Nations and have joined their military forces with ours for common defense. Major industries of Western Europe and here in the United States depend upon raw materials that come from the emerging nations of the world. Thus, politically, militarily, and economically we must prepare our course of action carefully and take practical steps to work with the governments where possible to introduce needed reforms.

Wherever it appears, though, that there is little likelihood that the ruling power will take steps to rectify conditions existing within their countries, if through use of our influence we fail to induce the present governments to institue programs of social reform, we must become disassociated with these rulers. We cannot afford to be identified with other Batistas, and must give no justification for future Castros to gain support on an anti-American program.

The Soviet Union has few economic or political ties with the ruling forces in most nations. The Communists are free to announce wholehearted support for programs of social progress within each country. This policy has much greater appeal to youth than our program that seemingly attempts to carry water on both shoulders. This does not mean we cannot cope with the disadvantage and gain support with the masses of people. Despite defeats in Cuba, Laos, and

elsewhere the real strength rests in our hands, if we but use it.

The secret is simple. We should pit our strength against their weakness. The Communists are not in a position to render all-out economic aid on a large scale to the needy nations of the world at this time. They are having difficulty raising sufficient food to feed themselves. The Communists are lending assistance to a few nations (Cuba, Ghana, Guinea, etc.) but they are putting undue strain upon their economy to accomplish this. Promises they make to render large-scale assistance to the people of other countries to improve their lot during this generation simply cannot be fulfilled. However, given 3 or 5 years, it is likely that the economic strength of the Communist nations will have increased to an extent that they can then render strong economic aid simultaneously to many countries and our present advantage will disappear.

While we have the economic edge, we should move swiftly. We have the capital, the material resources, industrial capacity and human capabilities to move on a vast program. If we were engaged in a military struggle with the Communists at this time, there would be no doubt of the willingness of the American people to make all sacrifices and to expend all energies to meet the challenge.

When bombs dropped on Pearl Harbor, this Nation galvanized into action over night, and we used the total resources that were then at our command. There was no worry about the cost—the job had to be done. Everybody knew it, and nobody raised a voice in opposition. The Army, the Navy, the Air Force needed men and equipment. Congress appropriated the funds. Our factories produced the required materials, and our manpower was utilized to the maximum. We did not say then we could fight a war on only one front. We faced the issues in Europe, Africa, and the Pacific. Certainly, we set priorities, but we did not shirk from the total task that we faced at that time.

The fact that the cold war battleground is not clearly defined; that the nature of our present conflict is to win the minds and hearts of people and thus support for our democratic way of life amongst the people of the emerging nations, in no way lessens the all-out effort that must be made if we are to prevent worldwide domination by the Communists.

Actually, if we analyze what we must do, the strain is not great—the sacrifice turns into a blessing. The prime needs of the emerging nations are for food, housing, and medical care to relieve present miseries, and for education, resource development, and industrialization in order to build self-sustaining economies in the future.

We have surplus food bulging our warehouses costing our taxpayers untold billions for storage. It is ridiculous to think that people should starve in any land for any reason while food rots here.

The emerging nations need help in expanding their own food production and housing facilities. Hundreds of millions of acres of virgin land is untilled today because access roads are needed to reach the areas and/or irrigation required to make the soil fertile. Roads, bridges, tractors, bulldozers, pipelines are needed in seemingly limitless quantities. With many of our own factories working at little better than half capacity—with 5 million of our own people unemployed, we should look at the opportunity to assist nations as a blessing in disguise—as an opportunity to remove many of our own citizens from relief and welfare rolls and give them productive jobs.

Skipping the military needs for a moment and considering only economics, it makes just as much sense to ship steel, cement, communication equipment, and other goods to the nations of Africa, Asia, and Latin America, who have purposeful uses for these materials as it does to use these materials to build battleships, airplanes, or tanks that soon land on the scrap heap due to obsolescence. In fact, it makes more sense economically to do so because by using these materials to raise world standards of living, we are creating future markets to absorb our products and thus increasing our opportunities for expanding future world trade. Armaments, once built, have no future economic value.

It would take hours to list all of the housing materials, pharmaceutical supplies, radio, telephone and television equipment, and other items that the world needs that we and only we in the United States can supply at this time. The opportunity exists for us to take the lead role and eradicate proverty, disease, and ignorance and to build a world that is secure because it enables others to attain higher standards of living.

As we embark on this program, one important ingredient must be added. In addition to financial and material assistance, a part of the spirit of each of us must go with the gift. We must give of ourselves so that the recipient feels wholly free to accept our offer.

This is the role of the Peace Corps in our foreign program. The operation of our Peace Corps will in effect be the international implementation of the Golden Rule. We shall help do unto others that which we have done for ourselves.

Too often in the past our foreign aid has not filtered down to the people who have needed it, nor have those who received materials from us known how to use them. If it is true that the present battle is to win the minds and hearts of the peoples in new nations, then our Peace Corpsmen will be the infantry of our new brigades.

It is they who by their gifts of service in the interests of humanity will convince the peoples of the world that the American spirit of freedom kindled in 1776 is alive and being carried forward today to all corners of the earth.

Food production is the most critical immediate project facing most countries. Stable governments cannot be built in hungry nations. Our young people will work with the local people to teach modern methods of farming and food distribution. It is not enough to supply fertilizers. Someone must encourage its use by demonstrating how soil productivity is increased and then continue to work with the local people until they, noticing its beneficial effects, are inspired to develop their own techniques for furthering the pattern of progress. It is difficult to teach nomad tribes the benefits of cutting grass and storing fodder to feed their animals, when for centuries they have tended their flocks in the hills. But if progress is to be made in increasing meat supply, this is a task that must be performed.

Tractors furnished to undeveloped nations need trained drivers and maintenance personnel to operate them and to teach the local people to handle the equipment by themselves. These among many other similar tasks are duties to be performed by members of our Peace Corps to help increase production of food.

Adequate housing is next in immediate importance. Quoting again from J. Peter Grace:

"The home and the family is the main basic unit of society upon which its stability or instability depends. The stanchest defender of private property and the most dependable opponent of communism is the man who owns his own home. And the readiest victim of communism propaganda is the man whose children lack a decent roof over their heads."

We have many skilled workers who can assist in community planning and construction. Once again, emphasis must be placed upon teaching by demonstration and showing illiterate primitive people how to use simple tools.

Education is the key to future success. Machines may make life easier, but it takes knowledge to design and operate the machines. We must teach people first to read and write; then the sciences and skills that will help lift them out of the morass in which they live today.

Health projects—fighting malaria, improving sanitation, child care work, even serving as midwives—these will be some of the duties of the Peace Corps.

What are the personal requirements of the people who will comprise our Peace Corps? First is the dedication of purpose. Anybody who joins this organization must truly believe in the brotherhood of man. He must have patience and understanding and be willing to make a sacrifice for the good of humanity. He or she must have a knowledge of and respect for the language, culture, and history of the country that is being served and also the background of our own history and culture. He must have the ability to work with people to organize and carry out projects, for he may be the only trained person among many people who have never worked on similar projects before. He is not a glory seeker, for surely there is no glory working in a small village in a backward country for a year or two when perhaps you cannot even measure the progress you are making at the time your term of service is through.

Our people must be able to cooperate or compete, as necessary, with groups of Communists who may be doing similar work in these countries. At the beginning for certain, we will be competing for the Communists believe that only through communism can a better world be built for humanity.

Our Peace Corpsmen must be able to demonstrate that we can help people develop a better existence, but that it is our intention to let the people of each country develop politically as they will. We must rest our case on the simple premise that once freed from economic want, peoples all over will not be susceptible to commnnism but will seek the other freedoms that only democracy can provide.

The waging of such peaceful competition offers a tremendous advantage to the world. The Communists and the free world will compete to benefit the people of all nations rather than to destroy their societies.

We have the capital, the material resources, the productive capacity, and the human talent to achieve all our goals. The future of the world will be shaped to the extent that we use these valuable assets.

Ammunition for the New York Central

EXTENSION OF REMARKS
OF
HON. EDWIN B. DOOLEY
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Wednesday, September 27, 1961

Mr. DOOLEY. Mr. Speaker, the issue of the proposed merger of the B. & O. and C. & O. Railroads is of critical concern to the residents of Westchester County, N.Y., and certainly should be of concern to all of us who have relied upon the judgment of our regulatory agencies through the years.

The eastern railroads have been going through a period of critical readjustment, and the New York Central has

been making a valiant attempt to not only maintain its present passenger and freight service but to improve it.

There is no doubt whatsoever in my mind that a merger of the B. & O. and C. & O. would greatly affect the freight revenue of the New York Central and in short order its efforts to maintain passenger service. For this reason I think the following editorial of the New Rochelle (N.Y.) Standard Star outlines very clearly the issue facing the ICC:

[From the New Rochelle (N.Y.) Standard Star, Sept. 12, 1961]

AMMUNITION FOR THE NEW YORK CENTRAL

More than the selfish interests of three railroads are involved in the merger proposal of the Baltimore & Ohio and the Chesapeake & Ohio. Railroads which the New York Central Railroad seeks to join.

That was the reason that Governor Rockefeller and County Executive Michaelian traveled to Washington, D. C., yesterday to testify before the Interstate Commerce Commission in behalf of the Central.

Citing the national defense role of the railroads, Governor Rockefeller pointed out that the "determination of the new railroad network for the eastern territory cannot be left to chance or to the struggle of carrriers themselves for their strategic advantages alone."

The State's interest, the Governor noted, is to assure improvement in rail transportation service to the State, its communities and its commerce and industry as well as to prevent an adverse impact on the State's economy.

As to Westchester County's interest in insuring continuance of a full-serviced, vital railroad system, Mr. Michaelian called attention not only to the 50,000 commuters carried to and from New York City daily by the Central and the New Haven railroads, but also to the industries of the county dependent upon railroad and freight service, particularly on the Central lines.

The Central is seeking to become a part of a three-way merger, rather than to permit the other two lines to join without it. It fears that if it is shut out, it will be undercut, forced to reduce present services and eventually face the possibility of being forced into bankruptcy to become a withered plum for the then-merged competitors to pick up at their convenience.

The Central argues that a far more efficient, economical, and complete railroad service can be developed should it be included in the original merger plans now before the ICC.

From the testimony of our State and county leaders, its arguments seem well merited and worth grave consideration by the Federal commissioners.

A House in Order

EXTENSION OF REMARKS
OF
HON. THOMAS B. CURTIS
OF MISSOURI
IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 27, 1961

Mr. CURTIS of Missouri. Mr. Speaker, objective analysis, made in the spirit of constructive criticism, is important in keeping, as the expression runs, a house in order. Especially valuable is this analysis when made by one with sincere interest and deep insight into the subject with which he deals. Ethan A. H. Shepley is just such an observer of the course of American democracy. Former chancellor of Washington University in St. Louis, Mo., and now the chairman of its board of directors, Mr. Shepley has long been a respected leader of the thinking of St. Louis and of its civic affairs as well.

A recent speech of Mr. Shepley's, to the convention of the Theta Xi Fraternity, was brought to my attention and I wished to share it with my colleagues and with the country. As it turns out, this speech was "off the cuff" but in substance reflects the remarks he made at a meeting of the Missouri State Medical Association in 1957. This speech was reprinted in the June 1957 issue of Missouri Medicine and I believe that its words and ideas are important to us today. Therefore, I am placing this speech in the RECORD at this point:

ARE WE KEEPING OUR OWN HOUSE IN ORDER?

(By Ethan A. H. Shepley, St. Louis)

We have been warned time and again that by winning freedom we do not thereby have it as a permanent possession. In fact, it is much easier lost than gained, and eternal vigilance is the price we must be ready to pay if we are to remain free.

But we in America have been so blessed with good fortune throughout the years that we are apt to permit ourselves to be lulled into a false sense of security.

We have heard our Constitution described again and again—not only in Fourth of July speeches but by experts in government and political science—as the most perfect document of its kind ever produced by the brain of man. We are apt to look upon it as a sort of Aladdin's lamp—something that by itself will solve all of our problems and preserve our liberties. In our complex and crowded daily schedules, as we race against the clock to fulfill our business and social obligations, we seldom find time to stop and think about our own good fortune in being Americans. We tend to take our liberties for granted.

But in the words of Judge Florence Allen of the U.S. Circuit Court of Appeals "We cannot write liberty into a charter and send it out ready made for the next generation." It is high time that we wake up, for the trend of events in recent years should serve to warn us that all is not well and that the things we cherish are in jeopardy.

When we look at the sorry plight in which we find ourselves today throughout the so-called civilized world, we are bound to ask, "How did all of this come about? How is it that at this period of time in which, from the standpoint of material things, man has far more than ever before, he has never had a feeling of greater insecurity?"

Wishful thinking can be as dangerous as it is pleasant.

With our traditional love of liberty and our respect for the rights of individual citizens, we in America have nothing but hatred and contempt for the dictators, in whatever forms they may appear and by whatever titles they may be called. And we are quite ready to charge them with sole responsibility for the unhappy state of affairs with which we are now confronted.

We are inclined to claim credit for the good things and to hold others responsible for the bad. If for no reason other than our own protection, however, we would do well to examine the record of events that have taken place during the last 40 years for the purpose of placing the responsibility where it belongs and of determining the extent to which our own failures may have contributed to the situation.

That we and the other liberal democracies of the West may have in some way failed is suggested by at least two things. First, during the greater part of this period the people of the world have been suffering from a vicious circle of wars, and there has been virtually no period of time since 1914 in which we have been free from war or the threat of war, and this, notwithstanding the fact that the liberal democracies of the West won both of the World Wars that were fought during this period, and wrote the treaties that followed them. Second, the form of government prevailing in the liberal democracies that was regarded as the ideal by every country on the face of the earth prior to the First World War seems to have been losing ground steadily since then to the various totalitarian systems.

How then do we account for these rather surprising things?

Is it possible that some inherent defect in our system of government may be at the bottom of our troubles? Can it be that our system is not so good, after all?

Or can it be that we are failing to put into actual practice the system of government that we have adopted in our Constitution?

In his recent book called "Essays in the Public Philosophy," Walter Lippmann has expressed the conviction that the Western democracies have been steadily losing prestige since World War I, and that their governments have failed in their effort to deal with the realities of modern life. He contends that their governments have not been governing but on the contrary, have merely been attempting to appease the voters, and that with rare exceptions the political leaders in the liberal democracies have been insecure and intimidated men who have learned by experience that it is safer to be wrong until it has become popular to be right.

Mr. Lippmann's writing in fact has so impressed me that I have read him and I have reread him. My mind has become so imbued with his thinking that when I speak I am almost certain of being guilty of unintentional plagiarism, for which I hope Mr. Lippmann will forgive me.

According to his analysis of the situation, weak governments were looked upon as the ideal so long as the people were prosperous and happy and there were no hard decisions to be made. During such times our Government was permitted to function in accordance with the basic plan of our Constitution but with World War I came the need for hard decisions. The draft, the imposition of heavy taxes, annoying regulations and prohibitions, the rationing of food, gasoline, the protection of the public interest against private interest—all these called for hard decisions. At this point the people undertook to usurp the powers that should properly be exercised by their Government.

The whole structure of an Executive governing with the consent of a representative assembly was discarded, at least so far as it had to do with issues of vital importance such as the making of war or peace.

The people can consent to being governed, can select those who are to govern, can approve or disapprove their performance, and can remove them. But the people themselves cannot govern. The reasons are obvious.

The ability to reach sound conclusions and to make wise decisions on matters of importance requires an accurate knowledge of all material facts, as well as the training and experience needed to form seasoned judgments without undue delay.

These things can hardly be acquired—even by the more intelligent citizen—through the reading of newspaper columns and an occasional book, or by listening to political speeches or lectures on radio, television, or the platform.

To a great extent it is neither possible nor advisable to make a full disclosure of all the facts to the people generally, and this is especially true on the most important issues

which may involve the preparation for war or the making of a treaty.

Nevertheless, the voters have insisted upon substituting mass opinion for the judgment of well-informed and capable public officials. "The people have acquired power which they are incapable of exercising, and the governments they elect have lost powers which they must recover if they are to govern." This kernel of thought comes from Mr. Lippmann's introductory essay, "The Obscure Revolution." From this seed idea—from this acorn, if you will—there quite naturally grows Mr. Lippmann's whole great tree of thought concerning the public philosophy, with all of its luxuriant and powerful branches. The people could not be aroused in either of the world wars or in the period between them to the exertion and sacrifices that would be required until they were frightened by early disasters or until their hatred had been sufficiently aroused, or they had become intoxicated by promises of utopia.

Have we forgotten that we fought World War I to make the world safe for democracy? It was a war to end all wars and yet, because of the extent of the hatred that had been built up in the people and their insistence upon a vindictive treaty, a second world war was almost guaranteed by the terms that were imposed upon the vanquished.

The leaders of these democracies recognized Mr. Hitler for what he was when he came into power and openly threatened to conquer Europe, but they were wholly unable to take effective action at the time when it was needed. The veto of mass opinion said no.

To labor the point further should be unnecessary for it seems abundantly clear that our Government is being stripped of the power to govern, and that power is being usurped by those who are totally incapable of exercising it.

As far back as 1930 James Truslow Adams has called attention to this situation and I quote: "As we look over the list of the early leaders of the Republic, Washington, John Adams, Hamilton and others, we discern that they were all men who insisted upon being themselves and who refused to truckle to the people. With each succeeding generation, the growing demand of the people that its elective officials shall not lead but merely register the popular will has steadily undermined the independence of those who derive their power from popular election."

The sovereign people would do well to analyze and criticize themselves with the same freedom they display in appraising the conduct of those whom they elect. As so well stated by Mr. Lippmann, "It will not do to think poorly of the politicians and to talk with bated breath about the voters. No more than the kings before them should the people be hedged with divinity. Like all princes and rulers, like all sovereigns, they are ill served by flattery and adulation. And they are betrayed by the servile hypocrisy which tells them that what is true and what is false, what is right and what is wrong, can be determined by their votes."

No, the trouble is not with our Constitution but rather with our failure to understand and follow it. Our system is too often thought of as nothing more than majority rule. But majority rule is tyranny, pure and simple—and tyranny has no place in our system. We are a constitutional democracy, in which the rule of the majority is tempered by justice—and our liberties are secured by our constitutionalism rather than by democracy. But we appear to have forgot these fundamental and all-important principles.

It seems that the people, with a complete disregard of the Constitution, are doing things it does not permit. And to make bad matters worse we are failing to do the one thing for which the Constitution does hold us responsible.

Responsibilities as well as rights and powers are rather clearly assigned by the Constitution.

The Executive shall govern, but only within the limits permitted by the Constitution and to the extent to which the people through their representative assembly shall give their consent.

And the people, acting through those of their number who shall from time to time be entrusted with the power to vote, shall choose the Executive as well as the members of their representative assembly.

To what extent are the qualified voters actually performing this function?

If you will take the pains to read a book written some years ago by Mr. Frank Kent, called "The Great Game of Politics," you will be convinced that with some few minor exceptions they are not.

In the words of President Kirk of Columbia University, "Most individuals in a free society are prone to think too much about rights and too little about responsibilities."

It seems clear that those of us who are accorded the franchise are acting as trustees for the people as a whole as well as for themselves individually and that the right to vote is not merely a right but, on the contrary, is a privilege carrying with it an important responsibility.

When John Doe goes to the polling place on election day, he is acting not simply for John Doe but as a representative of the people as a whole. When he fails to go he is not merely failing to exercise a right, but he is also defaulting in the performance of his obligation to the people. Would that it were feasible to deprive the defaulting voter of his right to vote.

Mr. Kent in his book makes it abundantly clear that the voters are not in fact selecting the persons who are to fill the elective offices.

For the most part they take little or no interest until the day of the general election by which time it has became a case of too little and too late. Their right to select has now shrunk to the mere privilege of choosing between the candidates that have been handpicked by the political organizations of the two major parties. They have no one but themselves to blame for their predicament, as it has been brought about by their own failure.

The real decisions were made at the time of the primary elections, and a glance at the records in this country will disclose the fact that at the primaries a surprisingly small percentage of the qualified voters take the pains to go to the polls.

And so, by default, the professional politician is permitted to perform a function that was neevr intended to be his. While of course there are exceptions, as a general rule the professional politicians are not unselfish, public spirited citizens who seek to serve the welfare of the Nation. To them politics is a business and they are in it as other people are in business—for what they can get out of it.

This being true, we can hardly expect the political organizations to nominate for public office the kind of men and women who are needed to make the hard decisions that must be made. They select people whom they hope to control, and in those all too rare instances where a real leader with the courage of his own convictions is accepted by the political organizations, you can be very sure that he was forced upon them by the pressure of the circumstances.

And so it would seem that this system of government of ours has broken down rather badly, not because of any defects in the Constitution or in the system itself, but because the people are doing things they have neither the right nor the capacity to do, and are failing to perform the all-important function that is assigned to them by the Constitution.

History seems to indicate that sooner or later people will insist upon a strong government, even at the expense of some of their liberties, and the danger is that the liberal democracies will wind up with some type of totalitarian control. There must be developed in the people a readiness to recognize that the interest of society as a whole must be served and protected by government, and that the people and the minority groups into which they divide themselves must be prepared to accept this as the responsibility of their government, irrespective of the effect its decisions may have upon the interests of the individual or the group.

It is pretty difficult to convince the individual citizen that his vote is important—that his participation is really worth the effort. So he "let's George do it"—and the trouble is that "George" does not do it. It seems that "George" expects some other "George" to do it.

And so in most instances the persons elected to office are not those best qualified to do the job and are not truly representative of their constituents. And Mr. Citizen, still overwhelmed by his feeling of impotence, looks to his particular pressure group to protect his interests from impairment or neglect at the hands of these representatives whom he did not select and whom he does not trust.

And then we have a government by tug of war, push and pull, threats and promises, operating to a great extent upon the disastrous philosophy that might makes right. Under such conditions we must not be surprised if those who are to make the decisions—if they are to avoid political suicide—must look to what is popular rather than to what is right.

The only solution to this problem must come through the proper education of our people. The successful operation of a liberal democracy requires a certain amount of collective unselfishness, a willingness to accept—even insist upon—a strong government—one that will not hesitate to make hard decisions no matter how unpopular they may be. And this ideal will never be attained unless and until the people generally come to understand that our Constitution is not an Aladdin's lamp and that the system it prescribes must be practiced as well as preached.

Address by Robert L. Garner, President, International Finance Corporation, to the 1961 Meeting of the Board of Governors of the Corporation, at Vienna, Austria

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EXTENSION OF REMARKS

OF

HON. CLARENCE E. KILBURN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 27, 1961

Mr. KILBURN. Mr. Speaker, on Thursday, September 21, Mr. Robert L. Garner, president of the International Finance Corporation, addressed the 1961 meeting of the Board of Governors in Vienna, Austria. Mr. Garner has a long and distinguished career with the World Bank and the International Finance Corporation. This year he is resigning his

duties, and this speech constitutes his last report to the Board of Governors.

This is Mr. Garner's farewell address and I am delighted to recommend it to the attention of my colleagues:

ADDRESS BY ROBERT L. GARNER, PRESIDENT, INTERNATIONAL FINANCE CORPORATION, TO THE 1961 MEETING OF THE BOARD OF GOVERNORS OF THE CORPORATION, VIENNA, AUSTRIA

Only a poet could be expected to find fresh words to describe the pleasure of being in this ancient and lovely city and of enjoying the gay and warm hospitality of our Austrian hosts. I shall merely add a simple word of appreciation and join in what has been so frequently expressed by earlier speakers.

The year since our previous meeting has been an important one for IFC. The amount of new investments was somewhat lower than in the previous year, although in the past few months we have made the largest commitments for any similar period.

But I consider more important several new developments. We have made the first sales of entire investments out of portfolio, in line with our basic purpose to help enterprises get started and then sell to private investors—thus revolving our funds. The three sales were on terms providing a satisfactory profit.

We have recently made commitments to provide equity-type capital to two private financial institutions in Colombia. This will enable them to expend their investment activities over a broadening range of local enterprises—chiefly smaller and medium size concerns, which it is impractical for IFC to finance directly.

Another quite different operation is a commitment of $3 million in a $72 million petrochemical complex in Argentina. Organized and largely financed by a group of important U.S. industrial companies and American and European investment institutions, IFC was invited to provide the small balance of funds needed to conclude the transaction.

These variations from the Corporation's usual type of investment add to the flexibility with which it seeks to supply the diverse needs of private business.

We have during recent months completed two studies, in Iran covering the potentials for enterprises in the chemical field and in Venezuela in meatpacking. We shall seek potential sponsors and be prepared to assist in financing if sound projects can be worked out.

Probably the year's most significant event for IFC is the change in its charter permitting investment in equities.

After 4 years of experience, I proposed this change at the annual meeting last year. By September 1 the change was authorized by the required number of member countries, with no adverse votes.

The purpose of this change is to enable the Corporation better to provide various types of investment funds, and in easily understood and simplified form.

Our experience indicates the greatest need of the type of customers with which we deal is for equity capital. It has always been the seed corn for development of private business in the industrialized countries, with borrowed funds as a secondary supplement. Only in recent years and in the developing areas has the practice grown to place main reliance on borrowing. This is largely due to the fact that most public financing agencies supply only loan funds, and at low rates.

Thus businessmen are encouraged to launch enterprises with excessive debt, often of short term and heavily in foreign currencies. This frequently leads to trouble.

My 40 years of financial and business experience make me an advocate of prudent financial structures. I, therefore, see great importance in IFC's new right to provide and stimulate the flow of equity capital.

A number of this audience are well aware of my strong convictions against public ownership of business. However, IFC intends to be merely an interim instrument for holding shares, pending the opportunity to sell them to private investors, which it has the mandate to do. The Corporation will continue to follow the policy of not participating in the management of enterprises in which it invests, and it undertakes to forego the ordinary voting rights of private shareholders.

One of the most important activities made possible by this charter change will be IFC's ability to assist in spreading share ownership in the developing countries. By underwriting or providing standby commitments it can provide facilities, often lacking, for the growth of capital markets. The ability to draw capital from large numbers of people is a necessary element for sustained growth of modern business. It is the basis of people's capitalism.

All in all, I believe that this year's developments give promise for increasing activity and usefulness for the Corporation.

I shall now take the liberty of speaking in a personal vein. On October 15 I retire as President of IFC. This will end over 14 years as Vice President of the World Bank and in my present post.

Helping build up the Bank was a fascinating and worthwhile task. In those early days it was new and untested; it received more criticism than support. But the foundations were soundly laid and as the years passed it gained recognition as a highly professional, expert organization with a worthy record.

So for me these years have been a great experience, working with the men and women from so many nations which comprise its organization, from Gene Black down through the ranks. It has enabled me to visit and to know and deal with the leaders of many countries, and to help chart some new paths in international financing.

Some of friends questioned why I chose to leave this powerful institution to take on the newborn IFC. There was the fact that I had been the most active proponent of the concept of IFC, and there was the appeal of building a new organization from the ground up. However, the main consideration was my interest in private business and my conviction that it can be the most dynamic force to bring widespread material progress to more people. I wished, therefore, to finish my executive career in helping spread good business in the developing countries. This endeavor, I can say, has likewise been highly interesting.

I turn over the reins of IFC with satisfaction. I am gratified that in assuming the presidency Gene Black will actively lend to the Corporation his talents and prestige. In Martin Rosen, who as Executive Vice President will be the operating general manager, I welcome a long-time associate from the World Bank in whom I have a full confidence. So I step out knowing that IFC is in the best of hands.

It is, I believe, accepted practice that in turning over command one is entitled to a valedictory. Mine shall be some personal comments on this business of economic development. And now I speak as an individual, not in my role as an official of an international organization. Since I have spent years working in this field, it is not necessary to assert my belief in its importance, nor my sincere interest in the developing countries. I trust therefore, that you to whom I speak may bear in mind the saying, "Let not him who is my friend speak only in soft words to tell me of pleasant dreams."

We need to keep in mind two significant developments in the postwar world.

First, the spreading realization that no nation can today walk alone;

Second, that for the first time those countries which have achieved a more abundant life have accepted responsibility to assist their poorer neighbors to improve their economic lot.

Thus the less developed countries have the unique opportunity to draw on the fruits of centuries of experience, organization, and technology in economic progress. They have the good will and support of the powerful free nations.

But I am troubled by the extent to which there is growing up the insidious consequences of too great reliance on foreign aid. Everyone repeats the platitudes that each country must be primarily responsible for its future and that others can only supplement its own efforts. Nevertheless, there are too many instances where the obvious attitude is that the chief responsibility of a government is to secure the maximum help from abroad, with lesser responsibility to mobilize its own resources, and to take action so that all resources are most effectively applied, and that internal conditions which hinder development are improved.

Probably the most important economic problem in the world is how the great areas with low productivity and standards of living can move steadily toward the levels achieved in North America and Western Europe.

If, working together, the richer and poorer countries are to make substantial progress to this end, it will require an honest facing of the facts. We certainly need to understand why certain countries have achieved a high degree of economic development and others have not. If we fail to understand the problem, how can we hope to solve it?

Let us briefly examine some of the frequently cited causes of underdevelopment.

It is often claimed that geography and natural resources are determining. They are of course important, and extreme conditions may inhibit any worthwhile economic activity—such as in the polar regions or utter deserts. But resources lie inert and have no economic worth except as people bring them into use.

It is easy to attribute the progress of the United States to its wide expanse and abundant physical resources. However, other areas—in Latin America, Africa, Asia—have comparable natural wealth, but most of it is still untouched.

On the other hand, there are countries in Western Europe with limited fertile land and meager mineral deposits, yet they have achieved high levels of economic life.

There appears to be only limited relation between resources and development.

Perhaps most often lack of capital is blamed. Let us take a look at this. In the first place, there is in most developing countries more potential capital than is admitted. But large amounts are kept outside, because of political instability and depreciating currency at home. Or it is invested in often unproductive land, low priority buildings, or otherwise hoarded. From the standpoint of development it is sterile.

The wide acceptance of the assumption that lack of development is primarily due to shortage of capital has led the United States and other richer countries to provide billions in loans and grants. Over the postwar period immense sums have been made available to the developing areas. Some of these funds have been well applied and have produced sound results, others have not. However, to most of the recipient countries the amounts are never sufficient. In my opinion, they never can be, because money alone accomplishes nothing. It is only a tool, and what it produces depends not on how much, but on how it is used. If it is applied to uneconomic purposes, or if good projects are poorly planned and executed, the results will be minus, not plus. The effective spending of large funds requires experience, competence, honesty, and organization. Lacking

any of these factors, large injections of capital into developing countries can cause more harm than good. The test of how much additional capital is required for development is how much a country can effectively apply within any given period, not how much others are willing to supply.

It is popular in many quarters to charge colonialism with lack of development in territories which have been dependent. This argument seems less persuasive when we observe that a number of countries which have been their own masters for long periods are no further advanced.

I am, therefore, forced to the conclusion that economic development or lack of it is primarily due to differences in people—in their attitudes, customs, traditions and the consequent differences in their political, social and religious institutions.

Therefore, if the countries which are lagging are to join in the procession of economic progress their people must change some of their thinking and some of their methods. This is the stubborn core of the problem, the most important factor regulating the pace of growth—how fast will people adapt. A bulldozer can move most things, but not ideas and habits.

It is no service to truth and realism to avoid the fact that much effort and the sacrifice of some of the accustomed ways are the inevitable price of advancement.

Modern machines and the way of life which they demand can produce unlimited goods and services, but only for those who accept the required disciplines. Such disciplines are harshly imposed by the ruling powers in Communist countries. In free societies they must be voluntarily assumed by individuals.

I am sympathetic with those who prefer the old ways and the simpler life. But too many wish for the best of both worlds. It won't work—only frustration and failure can result from seeking the fruits without being willing to pay the price of admission to modern economic society.

Out of my experience I have arrived at a few simple requirements for any country to make its way up the economic ladder. Simple to state, most difficult to achieve.

The first requirement is a reasonable degree of consistent law and order—government which can govern. Each country must work out its own acceptable process by which it governs itself. But without a degree of continuity in political life, consistent economic growth is not possible. Public policies sway with every change in the winds; economic programs do not get off the ground; private investment is frustrated.

Next, I would put the requirement of reasonably honest and effective public administration. There is no denying that in many countries graft and corruption in public office lay a heavy tribute on resources which should go into development. Of course, the less developed countries have no monopoly on public corruption. But its toll is more destructive in poorer countries than in richer societies. This is a problem which is entirely up to the leaders and people of each country.

However, honesty alone is not sufficient. Administration needs to be effective, and more and more individual competence and adequate organization are required as an economy grows and becomes more complex. I have found that in dealing with public officials, the most prevalent obstacle to getting things done is the lack of experience, of training and of ability to make prompt decisions. More attention to training and organization is widely needed.

I can seldom refrain from commenting on the importance of financial stability to steady economic progress. There are many prominent supporters of inflation who claim that it is a necessary adjunct of growth; some assert that it creates development.

But I have taken a close look at inflation in quite a few countries. I have seen it upset governments; take the bread out of the mouths of workers, the old, the helpless; undermine the operations of business. So I continue to class it as a dangerous fever, which gives the patient a temporary spurt but quickly saps his strength.

Next, I would emphasize the importance of developing in broad terms a pattern of economic growth, a sensible plan of balance among agriculture, industry, transport, power, communications, with such provision for housing, education, and medical services as resources permit. From my experience, this type of basic program, setting out general and related objectives, is more practical than attempts to specify in detail and to direct all spheres of economic activity.

However the plans are made, they will reveal needs so great that there must be a selection of priorities. Of course it is also essential that the country seek to increase its own internal revenues. Many tax systems need overhauling to remove inequities and evasions, and to improve collections. However, if development is to be encouraged and not hampered, it is important to avoid taxation which hinders investment. The best chance for long-term growth in revenues is through increased productivity and national income.

Most countries have in their history experienced some form of feudal society, with wealth and power in the hands of a few. The most advanced countries have moved out of it; in many others it still prevails. This is one of the things which must disappear if there is to be economic progress in the modern sense. It can disappear under the guns of violent revolution, with the lives and property of those who have the most being forfeit. But the mass of people have never found quick prosperity through expropriation—through dividing up an inadequate pie. Grabbing the possessions of a few does not really help the many.

But revolutions are likely to come unless those who have the wealth and power are prepared to cooperate in working out means whereby productivity can be increased and its benefits more widely distributed. If they would look forward they should realize that there is greater opportunity and prosperity for those with superior ability and for capital in a growing economy with widely spread benefits than in a less productive society made up of a few rich and many poor.

So I put high on the list of public policy positive efforts to see that the benefits of growth be spread widely among more and more people—through jobs, ownership, opportunity.

I have some definite ideas as to the means of getting greater productivity, which is the essence of modern economic life, and providing for wide distribution of its benefits, which is both economically and politically imperative in free societies.

Obviously there is need for governments to provide the basic facilities and services. To do this in adequate measure will strain their human and financial resources. It seems sensible, therefore, to give the greatest scope to private initiative and capital in all fields which are not necessarily in the public sector.

There is convincing proof that this is the most assured method of getting development. The most productive economies which have brought the highest standards of living to the most people have been those which have permitted private initiative to control the widest range of activities. This system has worked in the United States, which began as a wilderness; it has worked in Europe and Japan, with the long established societies.

Over the past 14 years I have visited some 50 countries, most of them in earlier stages of development. The most substantial progress I have observed has come from the private sector, where it has been provided with basic facilities and a political and administrative climate in which it could exercise its talents.

In most instances of public ownership and operations of industry which I have observed, the results have been uneconomic. Too often political considerations determine the type of enterprise, and the size and location of plants. In instances where the facts are available, the publicly owned plants have generally cost more to build and many of them operate at losses, which have to be made up from public funds. At least certain countries, having burned their fingers, are abandoning or selling out to private interests some of these economic liabilities. Others, however, continue to experiment.

It is of course true that the role of government in economic affairs must vary according to the conditions in different countries. Much more is required in the way of planning, stimulation, incentives and financial participation where industrial development is in an early stage and where there is a scarcity of entrepreneurs, management experience and organized sources of capital.

Under such conditions, government has two alternatives in dealing with private enterprise. If it sincerely wishes to use its productive potential it can give support and finance on terms which do not repel private investment nor stifle private control and management. On the other hand, it can demand such rights and lay such restrictions that enterprise cannot operate on an economic basis. Frequently businessmen cannot get a clear answer to government intentions, often because the government will not adopt a clear-cut policy. So long as the uncertainty exists, it constitutes an obstacle to private investment.

Decisions as to the degree of government ownership and control are not always made on the basis of economics or political theory. Even limited experience in dealing with officials in some countries reveals that they are largely influenced by what will give them the greatest personal power and rewards. The greater the control in government hands, the more personally lucrative can be the exercise of such control.

I am convinced that increased productivity can best be assured by a combination of government and private investment and operation, each in its most appropriate sphere. The functions which only government can perform demand its full efforts and human and financial resources. Therefore, if we seek the maximum production and development, private initiative, management and capital should be called upon and given the opportunity to extend their activities most widely.

If productivity can be increased, how then can the benefits best be widely distributed?

We know that the doctrine of socialism says by public ownership of the means of production. Through the instrument of government (which the Socialists will operate) everyone will be allotted his proper and abundant share. It is an idea which has appealed to many, since the days of Thomas More's "Utopia." Up to now it has never worked, because it has never produced the abundance. (It is interesting to note that utopia—from the Greek—means "no place.")

Then there are the supporters of the ultimate welfare state, who propose that government (which likewise they intend to control) take the maximum amount from all who work and who own property and spread it around as they deem most fitting.

Some wise man has said, "there is no such thing as a free lunch." Someone must pay the bill, so the question remains whether people pay their own bills to the maximum extent, or have government take and distribute as much as possible.

I would propose to the developing countries a somewhat different approach in order to spread benefits more widely.

First, I would concentrate on how most effectively to encourage individual initiative and the flow of private capital into productive use. One specific means would be through revision of taxation to give incentives to production and investment and lay heavier taxes on unproductive assets.

I would make it attractive to both local and foreign capital to expand existing enterprises and to start new ones, providing more jobs, more goods, and wider opportunities for ownership of business. I would give incentives to larger companies to sell some of their shares to the general public.

I would work out means by which more farmers could purchase land and get assistance in improving their production and marketing. I would provide credit facilities so that the workingman could build or buy a house and pay for it out of his earnings.

This approach would, I believe, begin to build up a middle class of men of property, with opportunities for individuals to progress as far as their abilities warrant.

This is my prescription for building a productive economy and spreading widely its benefits.

I have touched upon some of the things which governments need to do to promote development, including making full use of the productivity of private initiative and capital.

There are, however, equally great responsibilities which private business needs to assume.

The time has come when no longer can businessmen afford to concentrate exclusively on their individual enterprises and to ignore their role in promoting the broad interests of their countries. They should see this as a matter of self-interest, because in the long run the success of all private business rests upon the progress and stability of the community in which it operates.

Furthermore, they should realize that the institution of private enterprise is under deadly attack, not only from avowed communism, but from advocates of all degrees of socialism and state control. Their propaganda is clever, organized, and persistent. Business generally has not effectively taken up the challenge. It has, by default, allowed itself to be put on the defensive. Unless it awakes to the present danger and determines to pay the price and make the fight to preserve and expand its system, its productive contribution may be lost to the world, and bring about total change in our society.

As we have pointed out in our annual report, there are some particular aspects of responsibility for foreign businessmen operating in the developing countries. They need to make special efforts to associate themselves with the local communities—first through maximum use of local resources and people, with positive efforts to provide training and opportunity for advancement to senior positions. It is becoming increasingly apparent that there are mutual advantages in joint ventures with local enterprises, or in sharing ownership with local investors, including, where practicable, offering of shares to the public. And, on a broader front, foreign business interests are in position to set the example and stimulate their local counterparts in supporting education, technical and business training, and other constructive community activities.

And finally they can demonstrate and make known the benefits which they and all good private business contribute to economic growth.

There is one other major aspect of development to which I wish to refer.

Following World War II the interest of the more advanced countries in giving financial assistance to the less developed areas was evidenced in two directions—first, through bilateral financing, initially by the United States and more recently by Western Europe, as it rebuilt its own economy; and second, through international agencies, starting with the World Bank and the Monetary Fund, to which have been added IFC, IDA and recently the Inter-American Development Bank. In addition there have been the informal association of the Colombo plan and consortiums for India and Pakistan.

I have observed over these 14 years both types of operation. It might have been said before that my personal interest would naturally prejudice me in favor of the international approach. But now that within a few weeks I shall retire, I have no selfish interest to serve. I now can speak objectively and I shall state my convictions.

The first is that government-to-government financial aid cannot successfully be used to gain and hold political advantages for the country supplying the funds. Rather than making friends, bilateral financing between sovereign countries tends to create antagonisms and distrust. I have observed that within the non-Communist world the nations most friendly to each other are those between which there has been little or no intergovernmental financing. Contrariwise, the more one government has loaned or granted, the greater probability of suspicions and antagonisms. I believe the record gives support to my observations.

Also, there are inherent difficulties in arranging and administering developmental financing between governments. Officials and legislative bodies in committing the funds of their citizens have a responsibility that they be used honestly and effectively. Taxpayers are properly critical of abuses and waste. But however reasonable, recipient countries are inclined to consider conditions attached to aid as infringements on their sovereignty. And it is no salve to their sensitivity to have large numbers of foreign government representatives stationed in their borders to supervise the use of funds.

Furthermore, it is often impossible to disassociate a government's financial transactions from political motives, so that truly economic objectives may be subordinated.

And finally, there are obstacles to long-range action both in the providing and recipient countries. Commitments on both sides are necessarily subject to political changes and legislative actions. Qualified personnel are difficult to recruit due to uncertain tenure.

In my own country, the annual debates on foreign-aid appropriations are familiar to many of you. It is becoming apparent that the American people are more and more questioning and critical; not, I believe, of the mutuality of interests with the developing countries and the objectives of aid, but as to methods and results.

Because of the fundamental difficulties it is doubtful that large government-to-government financing can ever be handled effectively and with mutual satisfaction.

I believe there is a promising alternative in the record of the World Bank.

With substantial capital contributed by all of its 60-odd member countries, each in proportion to its resources, it has been able to approach the job of promoting sound economic development, free of the strains of political pressure and without the suspicion of political domination. It has been able to insist on more stringent economic and technical criteria than are generally proposed by agencies of individual governments. It supervises more carefully the application of its funds. Yet this firm insistence on performance has created a minimum of resentment.

The Bank has established a reputation for competence, objectivity, impartiality, and honesty. It has an international staff. It has gained the respect of its member countries, both the more and less advanced, and of the business and financial communities of the world. Its bonds are prime investments, so that it attracts the funds of prudent private institutions to supplement its government capital. Few informed people would argue with the statement that the lending of the Bank has produced results superior to most government-to-government transactions.

When it appeared that there was need for an additional type of credit for the more hard-pressed countries, and for a broader range of purposes, the Bank was given the operation of the IDA Fund.

Thus the proven instrument exists into which could be concentrated major intergovernmental financing. If the countries which have funds to devote to promoting development of the poorer areas would channel them through the World Bank, rather than in bilateral credits, the result would be more and better development, and better relations between nations.

In proposing the World Bank as the major instrument for development financing of public projects, I also agree that regional institutions, such as the Inter-American Bank, may play a similar role. As they demonstrate that they have established standards of competence, integrity, and freedom from political influence, comparable to those of the World Bank, they can likewise perform constructive service in their areas and be equally deserving of support.

It appears obvious that the United Nations, or other associations which are organized on a political rather than economic basis, do not fit the specifications I have outlined.

And in the field of fiscal and financial order, both in individual countries and internationally, I believe that the value of an international organization has likewise been demonstrated. The International Monetary Fund—born at Bretton Woods along with the Bank—has gained recognition as a most useful instrument for financial order and stability. I am sure that the discussions at this meeting will indicate widespread interest in giving the Fund even greater resources and responsibilities.

What about finance for private business in the developing areas? What is being done; what should be?

Here again I have some positive convictions.

The first is that private business and private capital are natural twins. The great developments of private enterprise have been nurtured on private, not public funds. In the long run business will not continue to be private if it depends unduly upon public credit. Furthermore, appropriations of public money are limited, and may well at any time be cut off, whereas private capital is an ever-growing stream. Private capital is constantly refreshed by that generated within business and by the savings of the people.

In the developed countries this flows constantly into use, into mortgages through savings institutions and insurance companies; into bonds of utilities and industries; and more and more into the shares of these enterprises.

The ownership of business has attained fantastic proportions in the United States. Most of our large corporations have many more shareholders than employees. Mutual and pension funds and other collective investment institutions represent the savings of tens of millions of Americans. Similar expansion of ownership is growing, not only in Europe, but in Latin America and some countries of Asia.

I therefore maintain that an immense reservoir of private capital exists throughout the world which can be tapped for expanding production in the less-developed areas.

But this capital must be enticed. It appraises the uncertainties and risks and expects ample potential rewards to balance these risks.

However, there are several forces which are damming this potential flow.

There is the threat of confiscation of property and rights. It is probably a conservative estimate that at least 500 millions of private capital have been held back from investment in Latin America because of events in Cuba.

There is the nationalism which in varying degree obstructs the import of foreign capital.

There is the jealousy of local businessmen who prefer their monopolies, and resent the appearance of foreigners who may supply the country with better products at lower prices.

And finally, there are the low subsidized rates at which funds of both national and international institutions are loaned to some private business.

A case can be made that in the general interest there is justification for transferring resources of the richer countries to those less fortunate for public purposes without too much regard to the cost of the money. It is more difficult to justify such public funds being made available to private business, at rates far below those prevailing within these countries, thus giving selected businessmen an extra profit.

Soundly operated business in these areas can be highly profitable. It is nonsense to claim that good business cannot start and prosper without cheap foreign credits.

Despite the usual provisions in the laws and regulations of public institutions, that in financing purely private enterprises (without Government guarantee) they are not to compete with private investment capital, the fact is that they do. By giving low-cost credits to one business firm they deter other borrowers from seeking funds in the private capital markets.

IFC is the only public institution, either national or international, which actually sets terms which are in line with those of private investment capital. Such terms are attracting private capital to join with us or to buy us out when the project has matured. Now that the amendment of our charter permits investment in equity shares, we can be more effective both in supplying the most needed types of capital to new and expanding business to meet their legitimate needs, and at the same time providing the type of investment which is attractive to local and foreign investors.

I recognize the great economic strides which have taken place in so much of the developing world. At any earlier time this growth would have been accepted as phenomenal. But this is a restless, impatient age, and awakening people are demanding immediate gratification of their desires.

I am fully aware of the immense problems faced by you and the other leaders of the countries, many of them just now attaining responsible statehood, which are moving through the no man's land between the past and the future. No one can expect perfection in this difficult task. But the stakes are so high you cannot afford basic errors. Your countries do not have a surplus out of which to pay for major mistakes.

I admit to being critical of much which I observe, of desiring improvement. But I believe that the problems can be solved if only people have the wish and the will.

I now come to the end of my final talk to the Governors of our member countries and our guests. Many of you I have known for years. As I retire, I shall continue to follow the fortunes of these institutions and countries with which I have been associated.

To all my friends, and to those many with whom I have crossed swords, best wishes and good luck in the challenging task ahead.

Washington Jewish Council Supports Federal Aid to Public Schools Only

EXTENSION OF REMARKS
OF
HON. JAMES ROOSEVELT
OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES
Tuesday, September 26, 1961

Mr. ROOSEVELT. Mr. Speaker, my attention has been directed to a recent public announcement by the Jewish Community Council of Greater Washington expressing support for Federal aid to public elementary and secondary schools, and opposition to such aid to religious and other private schools, either in the form of grants or of loans. My colleagues, I am certain, will be interested in the council's resolution, and the full text follows:

The Jewish Community Council of Greater Washington endorses President Kennedy's program of Federal aid to public, elementary, and secondary schools.

Two major principles underlie the council's views:

1. That the public school is a keystone of American democracy and has a primary role in its advancement.

2. That all parents have the right and freedom to provide a religious or general education for their children in nonpublic schools of their choice.

Taken together, these two principles require the strictest observance of the American constitutional doctrine of separation of church and state. It is a unique characteristic of the American system that public funds may not be used to support religion, and that religion is completely free from government domination or interference. Religion is wholly outside the jurisdiction, power, and financial support of the state.

Religion has always been and continues to be the core of Jewish life, and safeguarding the religious freedom of all groups is a constant concern of this council. We firmly believe that any impairment of the separation principle threatens religious liberty, jeopardizes other basic freedoms, divides the community into hostile segments, and weakens the fabric of American democracy. We strongly believe separation of church and state to be an abiding American principle, deeply imbedded in American tradition, which has given strength to our public school system and to the independent growth of religion in America. It is a principle of importance to all Americans of all religious faiths.

The public school alone is entitled to public financial support, whether that support takes the form of grants or loans. Government financial aid to nonpublic schools would weaken or impair the public school system. The right of parents to send their children to nonpublic schools does not, either constitutionally or in public policy, create or encompass any governmental obligation for financial support to parents who exercise this right.

The Jewish Community Council reaffirms its traditional policy of unequivocal support for the separation of church and state, and believes that the national welfare would be enhanced by public programs in support of public schools.

The council opposes the use of public funds for religious or other private elementary or secondary schools, either in the form of grants or of loans. Such aid (a) would violate the American constitutional principle of church-state separation; (b) would endanger the freedom of all religious groups; and (c) would tend to weaken the American public schools.

"Aw, Come on, Have a Heart"

EXTENSION OF REMARKS
OF
HON. FRANK W. BOYKIN
OF ALABAMA
IN THE HOUSE OF REPRESENTATIVES
Wednesday, September 27, 1961

Mr. BOYKIN. Mr. Speaker, under unanimous consent to revise and extend my remarks, I include therein a wonderful speech that was made in the Admiral Semmes Hotel today by my good friend, Brig. Gen. Emmett B. Cassady, at the United Fund kickoff meeting. I am putting this in the RECORD, Mr. Speaker, so you and the men and women in every beat in this Nation will have a chance to see what this great man said in this speech today. General Cassady has charge of our beautiful Brookley Field here at Mobile, Ala. It is one of the outstanding Air Force bases of this Nation, where we have between 15,000 and 16,000 men and women working. It has done outstanding work and it has meant very much to so many men and women, not only here on Mobile Bay, where this beautiful base is located, but all over this State, and many other States.

Everyone who reads this great speech by our beloved friend, Emmett Cassady, will know some of the things that he called to our attention, which will mean so much to us and the people that will give the money to the great United Fund. Practically all of our leaders in this great city—both men and women—attended this luncheon to hear this great man make this wonderful speech that will not only be helpful to all of us that will help, but it will help all mankind. God bless our men and women that are working for the United Fund, and God bless Gen. Emmett Cassady for his great leadership, along with all of the other men and women at our beautiful Brookley that are working hand in hand with General Cassady and all of us to raise the money to help these people who have not had the blessings that all of us have had. It is a great work, and our Mobile people have never failed, especially the people at Brookley Field, and they never will.

The address follows:

"AW, COME ON, HAVE A HEART"

(An address by Brig. Gen. E. B. Cassady at the United Fund kickoff meeting, Admiral Semmes Hotel, Sept. 27, 1961)

I am highly honored to have been invited to keynote the 1961 United Fund campaign. It's not often that a career military man is asked to take such a role in such a noble undertaking. Yet we in the military, just like every other person in our free society, have within ourselves a need for this additional service to the cause of humanity. The privilege of talking to you today, plus my

own personal participation in the United Fund, helps to answer that need for me.

For several weeks now, I've been wondering what I should say to you on this occasion. I wanted to say something that would be stimulating; something that would help to get this campaign off to the start it deserves.

So one day I found my thoughts wandering back to my boyhood—it seems a few light years ago now. Memory singled out a small Emmett Cassady who, quite often, had vast and insurmountable problems. Some of them involved allowance, or overnight visits with friends; the sharing of toys or second helpings of dessert. Serious problems for a boy—when things weren't exactly going his way, he had a secret weapon. Turning to whoever his adversary seemed to be at the moment, he would simply say, "Aw, come on, have a heart."

Today I'm here to voice that same plea.

Boyhood memories have been replaced by the stark realities of the present. The problems have become infinitely more serious. As we begin this United Fund campaign, it's important to fully realize that we're dealing with the lives of people. Our own people who need help—clothes, food, medicine, or doctor's care, the things you and I take for granted. We may be dealing with a mother who is asking you for the very existence of her child. Literally hundreds of people are pleading for assistance. They may not say it to you personally, but through the United Fund they're calling on you—silently saying, "Aw, come on, have a heart."

As we begin this 1961 campaign, I think it's important to pause a moment and reflect—to analyze just what we're doing—why we are here—and, yes, even why we have a United Fund.

We are here to unite ourselves in a bond of friendship and concern for our fellow man. We are here to dedicate ourselves to the cause of human suffering. We are here to begin a team effort designed to meet the needs of the less fortunate.

There are people in this world whose lives have been beset by the gloom of misfortune—people who are living in the darkness of need or handicap. We are not here today to curse that darkness. We are here to light a candle that can guide them into a useful and productive life.

And if everyone here lights one small candle, sparking the generosity in the hearts of every Mobilian, we can create a bright world for those who must turn to the agencies of the United Fund seeking hope and courage to face the problems of daily living.

I readily admit that the United Fund did not truly live for me until several weeks ago when I was privileged to go on a come-and-see tour."

At the Rotary Rehabilitation Center, your heart goes out to spastics and crippled children who are trying to walk and talk. Over in the corner a little girl, strapped and braced up to the waist, is about to try that next step. She makes it and looks at you and smiles, and a lump comes in your throat as you realize that her greatest desire is simply to walk. Thanks to the United Fund, she's learning.

We went to the Mobile Association for the Blind and saw people hard at work making brooms and mops quickly and skillfully even though they could not see.

Experiences like these make you want to stop and take inventory. It makes you wish that this world could somehow be magically transformed into utopia where there is no misfortune or strife, where every child can walk and talk and every person can see.

Multiply this a hundred times over and you know why we're here and what we have to do.

These people must have more from us than sympathetic understanding; they must have more than a set of unfilled promises. They must have concrete evidence of our concern for them as they seek and find help through the United Fund.

The big thrill of it all comes when you realize that the United Fund is you—your work and your sense of justice—your time and your sense of fairplay—your dollars and your dedication to a cause.

That's why you're here today—because our community has a problem, a serious problem—and the United Fund is the best possible solution, as hundreds of hands reach out to you and hundreds of voices say, "Aw, come on, have a heart."

I can visualize the United Fund constantly repeating to you and to me and to every Mobilian the immortal words of Emma Lazarus engraved at the base of the Statue of Liberty:

"Give me your tired, your poor, your huddled masses yearning to breathe free, the wretched refuse of your teeming shore. Send these, the homeless, tempest-tost, to me. I lift my lamp beside the golden door."

The United Fund is the lamp beside the golden door. That's why Mobile's gift must be generous, why the United Fund treasury must be filled—its budget met.

When I think of these people and the importance of our United Fund task, I wish I could dip into my experience and come up with a foolproof formula for success. I can't.

I can, however, give you some of the necessary ingredients that I think must go into this campaign if it is to be successful.

One essential ingredient is organization. I must confess, here in their presence, that I've been greatly impressed with the leadership in this campaign—with the way the business and civic leaders of this community have rallied to this noble cause.

I must confess, too, that as a military man, I'm partial to the use of majors and captains and sergeants. They are the backbone of our strength—they can and do get a heck of a lot of work done. There are no unimportant people, there are no unimportant tasks in this campaign. From Ernest Ladd right on down, every job must be done, and everyone who has responsibility must give his best, I know Ernest will give his best and in doing, I know he will lean heavily on our able Bill Kaufman, whose achievements are here acclaimed.

As I look into your faces, I think I can see what I consider the most essential single ingredient—dedication. It's the desire to achieve success. I'm sure we all realize that the road to a quota-plus performance is not a superhighway. We can't meet our needs for charity as easily as we can jump into a high-powered car and head for New Orleans or Birmingham. The simple facts are that it's going to take hard work, positive action, and selfless devotion on the part of every one of us.

In considering one other essential ingredient—faith—I'm reminded of Abraham Lincoln's words when he was asked during the dark days of the Civil War whether he thought God was on his side. His answer was, "My concern is not whether God is on our side but whether we are on God's side."

There's not a single doubt in my mind. When we work for the United Fund—we are on God's side. We are in partnership with Him. If you believe, you believe in the United Fund; if you live a Christian life, you'll give the United Fund your best effort.

Oh, it could be done another way, and in some countries it is done differently.

Yes, it's done differently in some countries. There they don't "waste" time on the cripples or the spastics or the mentally ill. They can be of no use to the state and consequently they can't "justify" their very existence.

No—we'll take the American way; where free men and women can come together and pledge themselves to the cause of humanity; to work together in a united effort. This is the democratic way. It is our way. It is the best way.

So, ladies and gentlemen, today is a day of dedication for all Mobilians. We must decide now that we will not betray the faith and the trust that has been placed in our hands. For charity there can be no set goal—there can never be enough. There can never be too much.

Let's see to it that every Mobilian has an opportunity to hear and answer the plea, "Aw, come on, have a heart."

Public Education at the Crossroads

EXTENSION OF REMARKS
OF
HON. FRANK CHURCH
OF IDAHO
IN THE SENATE OF THE UNITED STATES
Thursday, September 27, 1961

Mr. CHURCH. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD an address I made before the Illinois Association of Secondary School Principals at Urbana, Ill.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

PUBLIC EDUCATION AT THE CROSSROADS

(An address by U.S. Senator FRANK CHURCH, Democrat, of Idaho, before the Illinois Association of Secondary School Principals, Urbana, Ill.)

The general theme of my address this evening is public education at the crossroads. For the discussion of this subject, I have, of course, no professional qualifications. I cannot speak to you as an educator. My profession is law, and my career is, at present, that of a U.S. Senator. Senators these days are sometimes concerned about education, just as educators are sometimes concerned about Senators. The overriding concern of both ought to be an educational system that will nourish and safeguard freedom in our land.

The stark, central fact about the world today is that it is split into two parts, half slave and half free. To state it so is not to speak idly. In essence, one-half is dedicated to personal freedom; the other half subordinates personal freedom to the demands of the State. It is abundantly clear that, in the Communist half of the world, tyranny, in the sense of the cruel and arbitrary exercise of despotic power, is in fact deeply entrenched. In our half, while personal freedom under law is by no means the universal reality, it is the dominant objective.

Tyranny, of course, is not new to the world. Our forebears have suffered it, in one form or another, and have contended against it, at one time or another, for centuries. But never was there a time when tyranny presented so mortal a threat to freedom as now. The ancient tyrant rested his rule on spearpoints; yesterday's tyrant depended on muskets; today's tyrant has all the awesome weapons of modern technology at his command. In the time of our own Revolution—and in the time of the French Revolution—it was still possible for a people

to organize against a tyrant, arm themselves with small arms, and take possession of half a country, even before news of the revolt reached the Crown. In those times, it was still possible for the farmer and the merchant to seize his rifle, join a citizens' army, and fight against the tyrant's troops on somewhat equal terms. This kind of revolution has been a part of our Western tradition, and it has become a part of our concept, taught to us in our classrooms, and accepted by most of us almost as an article of faith, that people oppressed by tyranny will not endure it long, but will rise in revolt against it and break its yoke. Truth, we are fond of saying, once crushed to earth, will rise again.

I think that the time has come when we must reexamine this premise. The cinder brick wall that now closes off East Berlin is a stark symbol of how modern tyranny can impose itself on a whole people. The compelling picture of the East German sentinel leaping over the barbed wire barrier in a desperate jump for freedom, which you must have seen recently in our newspapers, the vivid accounts of East German families crashing through the wall in runaway trucks, the stirring stories of old men and women who leap from second and third story windows into the streets of West Berlin from houses along the borderline, all serve only to emphasize that a people subjected to modern tyranny have only one recourse left to them: escape.

Lest you say that I dramatize too much, and that I point, for illustration, to captive Germans in a satellite country under the boot of the Russian Goliath, let me remind you of a very different case in point, which, I believe, will even better illustrate my argument—not the case of the little rump country of East Germany, but the earlier case of all Germany, of Nazi Germany, familiar to us all.

Hitler was a modern tyrant whose power to retain the reins of government was surely put to the ultimate test. He achieved control of Germany, without ever having won majority support. Once chancellor, he arrogated to himself dictatorial powers, and crushed all opposition to his rule. He ordered Germany into a war that was not, even in the beginning, popular with his people. After the blitzkrieg victories, the war became a hopeless stalemate. Inexorably, the tide of battle turned; Germany was bled white on the battlefields of Europe; her armies were destroyed in Africa; her major ally, Italy, tottered and collapsed before the invading Allied armies, and Hitler's partner, the sawdust Caesar, was shot down in the streets of Milan, and hung by his boots for the crowds to revile. Two years before the war ended, it had become clear that there was no possible way for Germany to win. Yet, the German tyrant, thought mad by members of his own high command, continued doggedly to hold control. Hitler was dictator and Hitler remained dictator, while his armies, bludgeoned and beaten, retreated back toward the capital. Hitler was dictator and Hitler remained dictator, while the great cities of Germany were pounded into rubble by massive fleets of bombers, against which there was no shield. There was no place to hide. There was no way to win. And sane men, many of whom held high positions in the army and in the Government, conspired together in an effort to stop the bloodshed by deposing Adolph Hitler. But Hitler was dictator and Hitler remained dictator, until there was nothing left of Germany but the black and twisted ruins of Berlin. Germany stopped fighting when Hitler stopped living, his life taken by his own hand in a bunker under the rubble of his smashed chancery. I saw what was left of that chancery the last time I visited Berlin. It is just a pile of broken stone and masonry, a fitting monument.

The point I make is this: Modern tyranny, once it takes possession of a people, has the implements with which it can preserve its power indefinitely. It has armored divisions and highly mobile troops for swift dispatch into any corner of the country where trouble brews. It has secret police who mix constantly with the people and who, by wire or wireless, can instantly apprise the capital of any planned uprising long before it can be effectively launched. What's worse still, is that modern tyranny has the means with which to remold the minds of the people. The newspapers, the magazines, the radio and television programs, can be so efficiently censored and directed by the tyrant, the schools and universities can be so rigidly disciplined, that the people can be taught, in time, to accept what the state directs, and to forget what the truth may be. Never before, in all the history of the world, has a tyrant commanded any tools to compare with those he can now possess. Never before could a people be so completely captured and controlled. This is why I say, with the deepest conviction, that we must not let the tyranny of our times engulf what is left of the free world. For if tyranny triumphs throughout the world at large, it will plunge mankind into an age of darkness that could last a thousand years.

To prevent the new tyranny, which is Communist imperialism, from engulfing the free world, we have been long engaged in what has come to be known as the cold war. It may last for generations. To wage it will tax our strength and stamina, as nothing we have known before. To win it, in the long run, will depend upon the wisdom and understanding of the American people, which is the aggregate product of our educational system.

In these times it would be difficult to imagine anyone envying American educators. Your burdens are many. Not the least of them is finding ways to cope with the mercurial shifts of public opinion that wash against you.

We have been afflicted of late with much panic, and panic, sufficiently prolonged, can be fatal to freedom. Only a few years ago, an inquisition of sorts took place in this country. It reached into the field of education. Who can forget the raging controversies over loyalty oaths and the contents of textbooks? American educators, more than any other group, resisted these pressures. In resisting, often against heavy odds, the bullying of people whom you knew to be without qualification for passing upon either the philosophy or methods of our educational system, you reflected great credit upon yourselves and your profession.

More recently, in the wake of the Russian sputniks, the country made what seemed to be a turnabout-face. Having escaped, a bit battered but intact, from the acute era of Russophobia, you were next confronted with a ground swell of demands that you remold our American educational system overnight, if you please, in imitation of the Russian system. But, once again, you kept your bearings against the pressures of the opposite extreme. Both extremes were, of course, quite wrong.

A nation's educational system is the most important instrumentality by which its national values are served. It would be hard to imagine two nations whose values differ more absolutely than do those of the Soviet Union and the United States. Does it not follow that we should expect equal differences in the schools that each would devise to nurture and develop these values? Their education system is plainly designed to serve the needs of a rigid, doctrinaire, and authoritarian society. Ours is designed, or should be, to serve the needs of a free society.

I cannot emphasize too strongly my belief that, when we lay the measuring rod against our education system, we ought not to think in terms of comparison with Russia. For example, frantic warnings were but recently sounded that the Russians are turning out 125,000 graduates each year in the sciences, while only half that many are being graduated annually in the United States. Indeed, to read the comment in our magazines and press, one would have concluded that, unless a student has majored in physics, chemistry, and mathematics, he hasn't been educated at all. I suggest we should remember that Russia was but recently a feudal country; she is engaged in a massive effort, from a very late start, to develop the kind of industrial economy we have taken a century to build. Her need is feverish for competent technicians and engineers. The question we should ask ourselves is not whether we are presently keeping pace with Russia in the number of technicians we graduate each year, but whether we are meeting the needs of our own industry and defense. If we are failing to do this, then the Government should furnish such added inducement, including scholarships, as may be necessary to attract the number of science students our own needs require.

Just as this must be true where quantity is concerned, so also it must be true where considerations of quality are concerned. Here, the question we should ask ourselves is, not how our school curriculum compares with that of Russia, but rather, how is it serving the needs of our own country and the ends of a free society?

Such is the standard by which I would measure our system of public education in America. It is a harder standard than the Kremlin need apply to Russian schools, for the burden of American education is not only to train chemists, physicists, and engineers, but also to equip each student, regardless of his chosen craft, to accept and intelligently discharge the self-governing responsibilities that attend citizenship in a free country.

If you agree with what I have said thus far, I hope we are not now about to part company. I have posed the question of whether public education in America is fully meeting our own needs as a nation, and whether it is fulfilling its responsibilities to serve the ends of freedom.

I fear it is falling short of this goal.

The chief burden of my doubt is this: Do our schools stimulate our young people to the utmost? Do we require of them their full potentials? If not, we are wasting time and talent, both of which may be vital to our survival in freedom.

The critics of our secondary schools say that our typical high school graduate has had only a sketchy exposure to such demanding courses as chemistry, physics, and mathematics; that he has been permitted, while still too young to make responsible decisions, to act as the architect of his own course of study; that he has filled his time with "snap" courses; that he has probably played in the band, learned to dance, and may have tasted local fame by starring in the football or basketball team; that he knows how to get along well with the teachers and his fellow classmates, but he hasn't learned much. These critics charge that scholastic standards in our high schools are geared for the slower students, with the result that the abler students are neither challenged nor stimulated by their work, but develop a distaste for study, and, in the end, grow bored with school, spending much of their time in a frantic search for diversion.

Perhaps these criticisms are overstated; certainly they are not true of every high school. But if there is any truth in the charges, and I think there is, then it is time for us to reappraise some of the tenets basic to American education today.

There is much to be said in defense of the emphasis given to personality adjustment in

our schools. But the emphasis goes too far, I think, when it causes a corresponding deemphasis on subject matter. John Dewey's great work well suited the needs of our country in his time. Prior to the First World War, we had the era of Pax Britannica. There had been almost a century of peace, progress, and prosperity. The Golden Age had come, and Dewey's emphasis on social adjustment, on the development of balanced and happy personalities, was natural. It harmonized with the times.

The Nation, in that day, was still caught up in the excitement of educating and training the tide of immigrants streaming to our shores. Adjustment indeed was a real problem, a real goal to be sought. The teacher who faced a babble of tongues and cultures in her classroom could see that the schools had as much of a role to play in adjusting youth to citizenship, as in educating youth to citizenship.

But times have changed. Our national assimilation is nearly complete. Our schools now have other and more pressing responsibilities than student adjustment. If we are to win the cold war for freedom's sake, we must discover, draw out, and develop our talent to the fullest. It is time, I think, in our own interest, to shift the emphasis back to subject matter, to make courses more challenging and more stimulating for all.

I recognize this proposal cannot be made without at once raising a host of further questions. If courses were to be made harder, you may ask, what is to be done for the slower student, or even the average student. I would answer: endeavor, insofar as possible, to give to each student a course commensurate with his abilities.

This would make for unequal treatment, it may be said, which is not only contrary to the traditions of free public schools, but undemocratic as well. I would answer: The true democratic principle is to afford to each student an equal opportunity. To give to each an equal opportunity does not mean to give to each an equal dose.

I recognize that it is much easier to make this proposal than to put it into effect. Your patience and ingenuity have already been strained in keeping a "standard" education up to standard for our burgeoning school population. To offer more for the gifted, and to establish alternative courses of study, will require enlarged facilities, additional training for teachers, and more money. This is a responsibility that local, State, and Federal governments must stand ready to assume.

I know this proposal may not be popular. It might cause a storm in each community, and doubtlessly would involve teachers in many more unpleasantries with parents. I make it because I think it is right. The important thing to remember is that the minds of our young are like the mines of the earth, and the richest ore may lie deepest. We owe it to our country, as well as to our young, to get from each his full potential. Is there another way to do it?

No appraisal of American public education, however brief, should overlook the tradition of anti-intellectualism in this country, and the mark it has left upon our schools.

With the end of the Revolutionary War, our young Union soon became preoccupied with the problems of settling the land and conquering a continent. Our land was vast and rich. Our faces were ever set against the raw frontier. The pioneer tradition has done much to shape our national character. This tradition does not breed intellectualism. Pioneering requires more action than thought. The cloistered, reflective life it holds in disdain.

We were nurtured at our birth as a nation by the great minds of the 18th century. But as we pushed our frontiers westward, we turned away from the heritage of Jefferson and Hamilton. It is significant, I think, that William Henry Harrison was elected President of the United States on no more of a platform than a catchy slogan, a log-cabin birth, and a taste for hard cider.

Even today this legacy of anti-intellectualism is everywhere present. A person with an intellectual bent is an "egghead." The "absentminded professor" is everybody's joke.

Our schools, likewise have been affected. A carnival atmosphere prevails at many of our colleges. Their impact upon their communities depends, not so much upon the quality of their faculties and academic programs, as upon the successes or failures of their athletic teams on the playing fields. The students are absorbed in extracurricular activities. Social life and good times sometimes seem to receive more emphasis, in and out of the classroom, than does the pursuit of learning. If courses in the physical sciences are being avoided because they are hard, then the clear implication is that alternative courses in history, political science, and literature, which ought to be equally hard, are made attractive by their ease.

Whether or not the public schools have contributed materially to anti-intellectualism in America, it is clear that they have suffered much from it. Can the schools help to cure the affliction?

Certain things, at least, can be done. Teachers and administrators can make it their business to accent the academic side of school life. Recognition, in the classroom and in the community, should be increasingly accorded to those who excel in scholarship. And teachers, at every level, should fight the temptation to withdraw into the cloistered life; they should work, rather, to bring academic activities to public attention. Teachers should be civic leaders. They should strive to participate actively in the affairs of their communities. The more that they will do this, the more will grow the general regard for them and their profession.

Government, too, has a role to play in helping to restore respect for learning. It is clear that the schools need money for new classrooms, for improved salary schedules, for all kinds of equipment which grows daily more expensive. The continued neglect of these things results in a downgrading of the prestige of schools and teachers, and of the intellectual side of life for which they stand. I am disappointed that an expanded program for financing these improvements passed the Senate but failed in the House this year. Federal aid to education, under legislation that will insure continued local control of our schools, is badly needed and needed now.

Let me conclude by saying that, perhaps, I should have said at the outset, that I feel genuinely honored to be here. If I have been overly critical, remember it has not been so long since I sat in the classroom, and this has been my first chance to talk back to so many teachers. If I have dwelt too much on what seem to me to be your shortcomings, it is only because there is not time enough to pay proper tribute to your accomplishments.

I thank you for being teachers, a noble calling, too poorly paid.

I thank you for having preserved the liberal arts, and for having withstood the pressure to turn the grade school into a trade school.

I thank you for the integrity you have shown in your unremitting efforts to keep intellectual freedom alive in America. It is on this ground alone that the cold war can be won; that we may emerge from it as free human beings, preserving the precious principles and institutions which give meaning to our conviction that what seems right today may change tomorrow, that final answers to the great questions involving the destiny of man have not been given, but must be sought anew by each generation. The right to change, to evolve, to grope for meaning, to question even the most fundamental assumptions, must never be abandoned.

Yours is our youth.
Yours is the future.

Report to the Voters of the 10th Congressional District of New York

EXTENSION OF REMARKS
OF
HON. EDNA F. KELLY
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 27, 1961

Mrs. KELLY. Mr. Speaker, the inauguration of January 1961 witnessed a beleaguered Washington struggling out of a snowstorm which had virtually immobilized the Government community. On this note of local crisis, President Kennedy entered the highest office in the land. During the ensuing months he has been called upon to meet crisis after crisis in foreign and domestic policy in seeking to carry forward the goals of his New Frontier.

These goals were outlined in the inaugural speech of President Kennedy; were implemented in his state of the Union message to Congress; and were detailed in this specific message to Congress for legislative action. It is the action of the 87th Congress, 1st session, on which I base my report.

This 12th report emphasizes my apprehension at the never-ceasing, mounting international tensions. The present state of world affairs leaves little room for optimism. The octopus-like tentacles of the international Communist conspiracy continue to engulf the peace and security of the world.

It is admitted that President Kennedy inherited the most serious problems in history. The crisis in Laos which was a spillover from the previous administration; the Cuban debacle which revealed many weaknesses in our intelligence agencies; the Vienna conference with Khrushchev; the Congo crisis; the renewed Berlin provocations, and the resumption of atomic testing by the Soviet Union. To add to this, the tragic death of Dag Hammarskjold, the courageous Secretary General of the United Nations, has increased the tensions.

In the wane of the year 1961 we are faced by serious and seemingly unsolvable problems, while simultaneously being exposed to the rocket rattling of Khrushchev. Answers must be found to these problems, the immediate one being the critical Berlin issue. This issue, like the others, is interwoven in the "life struggle" of the United Nations. A single Secretary General as was the courageous Dag Hammarskjold will insure a useful United Nations. The troika plan sponsored by the U.S.S.R. will terminate the United Nations organization.

This unrelenting threat of international communism is the consuming issue of this decade. We know that this enemy unrelentingly, unceasingly and seemingly uncontrollably probes into

areas in which it can foment unrest, internal strife, and limited military actions. No longer can the free world tolerate these actions. No longer can the free world be rocked by events such as the failure of the Korean truce; the division of Vietnam; lesson of the Hungarian revolution; the sputniks, lunicks; the Suez debacle which gave the Russians a foothold in the Middle East; the Congo and Cuba. These events are the earmarks of the last decade.

Reacting to crises as they arise has proven inadequate and has led to Communist advances. The time for recriminations has long since past, but there is still time for us to once and for all realize that this monolithic giant is determined to conquer the world. The question is, What to do? While the implements and horrors of contemporary armed conflict are incomparable, it would do well for all to reexamine our country's history in an effort to rekindle the patriotism and determination displayed by the founders of this Republic. I do not advocate armed conflict as a method of solving world problems. I do, however, advocate a military establishment second to none which will permit us to negotiate from a position of strength with the men who understand and respect only brute force. I advocate a rekindling of the spirit of resistance which saved Greece and Turkey; a reaffirmance of our aims to those allied with us in achieving a just peace and preserving our free institutions to which we are dedicated. I advocate an affirmative foreign policy under which we will create circumstances instead of reacting to them.

As I said in addressing the House of Representatives on September 20, 1961:

Mr. Speaker, I have long and bitterly opposed aid to Tito, support of neutralism as a concept and toleration of the ungodly puppet slave regimes of the satellites. My voice has been unheeded.

My purpose today however is not to assume the stance of "I told you so" nor is it to raise a clamor against the administration or for that matter even against Tito, neutralism, or the satellites. Rather, it is to call for a somber and reflective reappraisal in the State Department and in the seats of power of the fundamentals and of the goals of our foreign policy.

In the late forties and early fifties, a former administration followed the policy of being firm against the satellites and of doing all that was within reason and within decency to bring about the collapse of those regimes in Eastern Europe which could not exist for 1 day without the support of Russian bayonets. It was not a wild policy of liberation, when we knew that abortive efforts to revolt would only lead to a blood bath and the loss of hopeless and innocent lives. It was, however, a policy which had as its purpose the support of the U.S. Government for the aspirations of the slave peoples for liberty and freedom. It did however encourage resistance to the Russian tyranny.

During the mid-fifties, we moved from this position to the far end of the spectrum and actively and openly supported a program of resistance and revolt in the satellites. To our everlasting shame, we were unwilling to support our words with our deeds when the inevitable cataclysm of Hungary followed as a result of our promises. I am sure most of the world believed that we had lost our nerve when we stood abjectly and shamefacedly by as the Russian tanks rumbled over the remnants of liberty in Hungary.

Inexplicably—perhaps as a result of our shame and perhaps as a result of our being lulled into a sense of false security—we then shifted toward the opposite end of the spectrum in our attitude and policy toward the satellites. The policy of liberation became a policy of live and let live. Indeed, we have given substantial quantities of aid to at least one of the satellites.

I say that the time has now come for a change in this policy and that if the Russians and Red Chinese are going to meddle in the affairs of the free world and if the Communists are permitted to stir up trouble in three-fourths of the world, they should be served quiet but firm notice that the United States is not going to stand idly by. We should make it abundantly clear to the people of the satellites that the United States has not forgotten them and that it is our firm determination that when the day arrives, they shall be free.

It is not a policy of "liberation" but rather one of supporting the legitimate and devout aspirations of the people of eastern and central Europe to be free in their persons, in their homes and in their beliefs. The same holds true for the puppets of the Red Chinese monster. Everywhere subjugated people should be made aware that they have the full and firm support of the United States in their yearnings for freedom from foreign domination.

It is rather ironic that we have fanned the flames of freedom in the colonial area to our own detriment while at the same time, maintaining silence with respect to the imprisoned peoples under the Communist lash. I say that the time has come to make it abundantly clear to the Communists, not by public proclamation but by soft word and firm deed, that they can no longer count on our neutrality, vis-a-vis the satellites and puppet regimes.

The time has also come for reappraisal in our policy toward neutralism. Again the pendulum has swung back and forth and, again, the rest of the world has come to believe that we will hand out our bounty regardless of the recipients' actions. I do not denounce neutralism. I firmly believe that every nation has the right to be neutral. I cannot agree with their decision but I admit their right. I do, however, denounce neutralism of the cynical variety which says, "I am neutral," but then supports one side of a dispute. Such an attitude is despicable. In such cases, I see no reason whatsoever for the United States to actively support such governments.

Everyone has a right to be neutral but he does not have the right to call on the U.S. taxpayer for support of his government. We cannot buy the support of the rest of the world and we should not try. On the other hand, we do have a number of stanch and true friends throughout the world. Where their governments are with us, I say we should support them to the maximum extent of our means and our resources.

In like manner, however, I am convinced that we should not support the governments of those so-called neutrals who are against us. I am not thereby advocating a withdrawal of technical assistance or the type of assistance which extends and reaches directly to the people of those countries, but I am advocating that we should not expend one cent which would tend to support the government of such nations nor would I waste our taxpayers' funds in developmental programs for such false neutral governments.

If there is any doubt as to which countries should be included in this classification, let those governments evaluate their own policies and statements. It was indeed heartening that the President himself has heralded a shift in this direction. The time has come when we must once again make it clear that we will support our friends and oppose our enemies.

The above comments are especially pertinent to Mr. Tito. We have poured our treasure into this country. We have lifted the standard of living of his people. We have supported him in his foreign policy contests, yet he turns his back on us in a crisis and embraces the Russian bear. I have said much previously in this House concerning our policy toward Yugoslavia. I need only say that every word I have spoken on this subject is coming true. I think it is abundantly clear that we should at this time inform Mr. Tito that our aid will no longer be forthcoming.

Mr. Speaker, I am not responsible for the making of the foreign policy of the United States, but I devoutly hope that the words which I have spoken here will have some small impact on the course of our foreign policy and thus on the course of civilization.

President Kennedy is the architect of our foreign policy. He possesses the personal courage and conviction to carry forward a firm policy. Events today indicate that the President has embarked upon such a policy. His address at the United Nations was the clarion call.

The present Berlin crisis and U.S.S.R. resumption of nuclear testing lead me to look back but 25 years to the actions of the great world powers which permitted the "anschluss" in Austria and the "putsch" in Czechoslovakia. This costly lesson in world history must not be forgotten. To yield is tantamount to surrender. Today, it is Berlin—tomorrow may be too late to save our freedom.

The 1st session of the 87th Congress has succeeded in implementing a large part of the President's program.

National defense was strengthened by increasing the Armed Forces. Reserve and National Guard units were activated; expenditures were increased for construction of aircraft, missiles, and naval vessels including Polaris submarines; and additional expenditures were permitted for military bases, missile sites, and nuclear submarine bases. Also, funds for the Atomic Energy Commission and the National Aeronautics and Space Administration were increased. The overall defense appropriation was $46.6 billion.

The foreign aid program aimed at assisting other peoples pricipally in underdeveloped areas of the world is not just a program of U.S. assistance but is a program to help others help themselves. It establishes a new criteria which must be met by recipient nations before financial assistance is granted. Good government with justice cannot be imposed entirely from the outside; there must be an internal desire for such progress. This, under the new program we will first ascertain that such desires are present and insure that recipients are utlizing our assistance for the benefit of the many and not the few. The United States as a leader of the free world must help other peoples to achieve their social aspirations under democratic governments. Congress gave $3,914 billion for this foreign assistance program.

The Peace Corps was established and also a U.S. Arms Control and Disarmament Agency for World Peace and Security. A resolution was adopted which expresses the sense of the Congress against seating of Communist China in the United Nations. Under the new

Agency for International Development, which will coordinate all of our foreign aid activities, there will be greater control and more economical and intelligent expenditure of funds. Congress retained its control of this program by eliminating the back-door spending proposal. The $600 million previously authorized for the special aid to Latin America was appropriated under the Inter-American Economic Cooperation program.

The loan of naval vessels to certain friendly nations was permitted and the Export-Import Bank was authorized to guarantee and insure American business accounts in foreign countries. As the first chairman of the United States-Canada interparliamentary group, I feel this committee played an important part in bringing about a treaty between the United States and Canada for cooperative development of the Columbia River.

The alien orphan bill which expired on June 30 was made a permanent part of the immigration law, with safeguards added which prevent proxy adoption of orphans. Amendments were added to this bill to provide that second and third preference aliens will be admitted to this country on a nonquota status. This was designed to expedite the reunification of families of citizens and immigrants admitted for permanent residence. Also, provisions were added relating to the judicial review of deportation orders.

At the beginning of President Kennedy's term of office, the imbalance of our international payments and an increased outflow of gold were among the most serious problems we faced. By vigorous presidential directives, this tide has been stemmed and complete confidence in the dollar has been restored.

I am happy to report that as a result of one of my amendments, $1.8 billion worth of procurement has been effected in the United States. This money helped recovery as 40 percent of it was spent in distressed labor areas. This procurement has resulted in increased sales of American equipment and in increased jobs for American workers. This helped restore the dollar and returned the dollar to the United States.

A bill was passed which reduces from $500 to $100 the value of goods Americans may bring back duty-free from abroad. To promote and encourage tourist travel from abroad, a U.S. travel service was established in the Department of Commerce.

Nine hundred and twenty-eight million dollars was authorized to provide 13 weeks additional unemployment compensation; temporary grants were authorized to States to finance inclusion of dependent children of unemployed under Federal-State assistance program. A true, overall minimum wage law is hard to achieve. However, Congress enacted legislation which raises the minimum wage now received by 3 million workers to $1.25 a hour and extends protection of the Fair Labor Standards Act to 3.5 million additional workers by gradual wage step-ups.

The Area Redevelopment Administration was established; $300 million in loans and $94 million grants was authorized for industrial plants and public facilities in areas of economic distress; and technical assistance, vocational rehabilitation and subsistence grants for persons undergoing training was provided.

Eleven and one-half billion dollars was authorized for completion of the Interstate and Defense Highway System as scheduled by 1972. The law also fixes Federal gasoline and diesel fuel tax at 4 cents per gallon and raises levies on heavy trucks and buses. Authority of the Interstate Commerce Commission to make loans to railroads was extended for 27 months, to June 30, 1963. The amount available to the Small Business Administration for regular business loans was increased temporarily by $20 million. A bill was passed which broadens the authority of the House Judiciary and Senate Finance Committees to permit study of all matters relating to State taxation which affect business in interstate commerce.

The Social Security Act was amended to increase minimum payments from $33 to $40 per month; to increase benefits to widows; and to provide that male workers may draw reduced benefits upon retirement at age 62.

A 5-year, $4.9 billion housing program for low and moderate income families on liberalized terms was authorized. The moneys will also be used for urban renewal; open-spaces development in cities; college dormitory construction loans; 100,000 new units of public housing. Funds for housing for the aged denied by the previous administration were increased. Funds were provided for loans to cities to acquire mass transportation facilities. An interim increase of $1 billion was provided for FHA mortgage insurance authority.

In the field of health, education, and welfare, Congress extended for 4 years the $5 million a year program for grants and scholarships for training practical nurses; extended for 1 year the school milk program; and authorized the first juvenile delinquency program in 8 years. Sixty-three additional U.S. district judgeships and 10 in the circuit court of appeals were created. As a result, the court for the eastern district which includes Brooklyn will receive two new judges. This increase will enable the courts to process efficiently the heavy backlog of cases which has been steadily increasing.

Congress extended direct and guaranteed home-loan programs for World War II veterans to July 26, 1967, and for Korean conflict veterans to February 1, 1975. An additional $1.2 billion was authorized to carry the program through fiscal year 1967. Payment of a special dividend to eligible policyholders of national service life insurance was authorized; and payments to veterans' widows were increased.

The water pollution control program was expanded, and increased from $3 million to $5 million annually grants to interstate and State agencies for operations through June 30, 1968; increased from $50 million to $100 million annually for construction of treatment works. Perhaps we will see the deserts of the world bloom again as a result of the discoveries made by the extended saline water conversion program.

Due to the many expenditures this year, the national debt limit was extended to $298 billion and the 52 percent corporate tax rate and excise taxes on alcoholic beverages, cigarettes, automobiles, transportation of persons, and telephone calls were continued.

While this report is not optimistic, let us never forget that hope is eternal. Therefore, you and I must pray and work toward the day when we can say that peace is secure so that we can devote all of our resources and energies toward the elimination of human suffering, disease, and poverty at home and abroad.

It has been an honor and privilege to serve the residents of my district for the past 12 years. My Washington office is open year round, and letters sent there receive immediate attention. The address is Edna F. Kelly, Member of Congress, Washington 25, D.C. I am available to see my constituents at the Madison Club, 739 Eastern Parkway, Brooklyn, on Monday and Thursday evenings after 8 o'clock during such times as Congress is not in session.

Hon. John W. McCormack

SPEECH
OF

HON. EUGENE J. KEOGH

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Saturday, September 23, 1961

Mr. KEOGH. Mr. Speaker, it is with a feeling of deep personal pleasure that I associate myself with the remarks of the gentleman from Oklahoma and my other colleagues in tribute to our beloved Acting Speaker, JOHN MCCORMACK.

In my opinion JOHN MCCORMACK is the personification of the ideal Member of Congress and leader of his party in this body. He possesses to a most unusually high degree all the qualifications required for his position—and these qualities have long been recognized, in particular, by Members on both sides of the aisle and by officials in the executive branch as well as by the press and the general public. His patriotism of the highest order; his unassailable integrity; his complete devotion to his tasks; and his incomparable gentleness; these have each been noted and have been the subject of the unusual accolades of his fellow Members. To my mind they can all be summed up in one word—a word that sometimes is used simply as a title, losing its real significance, but that eminently fits and describes JOHN MCCORMACK—"honorable."

He is honorable in every sense of the word. He, by his life, personifies the virtue, and we, by our tributes, accord him the honor that the virtue demands.

Twenty-one years ago it was my privilege to cast my vote for JOHN MCCORMACK as the majority leader in this body, and ever since I have had innumerable occasions to be glad on that account. I venture to say that the rec-

ognition accorded to him here today is but a slight semblance of that which will be given to him by history for generations to come when tranquillity is restored to the world and the happenings of the past 21 years can be viewed in calm perspective.

The words of Alexander Pope are peculiarly descriptive of our beloved and respected colleague:

Statesman—
Yet friend of truth; of soul sincere,
In action faithful, and in honor clear,
Who broke no promise,
Serv'd no private end,
Who gain'd no title,
And who lost no friend.

Mr. Speaker, may I join with my colleagues in wishing for JOHN MCCORMACK everything that is good and in hoping that we shall have the good fortune of having him with us for many more years to come.

The Pressure of Fear

EXTENSION OF REMARKS
OF
HON. HOWARD W. ROBISON
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Wednesday, September 27, 1961

Mr. ROBISON. Mr. Speaker, on Saturday evening, September 30, it was my pleasure to address the 41st reunion of the 27th Division Association at Binghamton, N.Y. Under leave to extend my remarks, I herewith include the text of my address:

REMARKS OF REPRESENTATIVE HOWARD W. ROBISON, OF NEW YORK, TO 41ST ANNUAL REUNION OF 27TH DIVISION ASSOCIATION, INC., BINGHAMTON, N.Y., SATURDAY EVENING, SEPTEMBER 30, 1961

It is a very distinct honor, and I deem it a high privilege, to have been invited to attend and speak to this, the 41st annual reunion of the 27th Division Association. You veterans of "New York's own" division can be justly proud of the services rendered in defense of your beloved Nation in two World Wars. I need not add that we of New York State are equally proud and grateful.

Your division insignia—the letters "N. Y. D." (for New York Division), united in a circle with the constellation of Orion (in honor of your former commander, Maj. Gen. John Francis O'Ryan)—bears mute but eloquent evidence of the courage and valor of the men who wore it in France at Ypres, along the Somme River, and in Flanders, and then, 25 years later, at Makin, Eniwetok, Saipan, and Okinawa, remote islands that most Americans had not heard of prior to 1944, but thereafter islands whose names will be forever etched in our memory.

The cost to you of the ultimate victory which you brought home to us cannot be measured in bare statistics, but—for the record—it is, in part, shown by official Army records in this fashion: World War I, killed in action, 1,785; wounded, 7,201; and World War II, killed in action, 1,512; wounded, 4,980; captured, 1; and missing, 40. Your total casualties, from action in both wars, thus adds up to 15,519, and some evidence of your devotion to duty, and the fact that you were a remarkably cohesive fighting unit, is shown by that one of the above categories that states, simply, for World War II—in some of the ruggedest and bloodiest combat ever known—the enemy captured but one of your number.

Your specific honors include two Distinguished Unit Citations and three of your number were awarded the Congressional Medal of Honor. But perhaps your highest honor rests in the certain knowledge that you, and those others who are now no longer with you except in spirit, have truly earned the everlasting gratitude of your fellow citizens for (in these familiar words), "* * * conspicuous bravery above and beyond the call of duty."

Now, once again, your Nation is facing a new crisis—perhaps the greatest crisis in its history. Discouraging as this must be to you and others like you who bled and died in the cause of freedom, and who hoped and prayed that never again would the scourge of war make its mark upon this world, the hot metal of international conflict bids fair to spill over the restraining mold of reason, and those who cherish freedom have again reached the testing place. And, once again, it would appear that only the faith and courage of the people of the United States of America can stay the progress of tyranny.

Perhaps we should not find this so surprising, for the history of mankind clearly shows that each age has faced its own conflicts, each generation its own challenges. On a gravestone in a Concord, Mass., cemetery, we find this epitaph: "My son, that which I bequeath you, you must own anew if you would keep it." The Revolutionary soldier who dictated that epitaph knew—as we should know—that freedom is not something to be handed down from generation to generation, but rather must be earned anew by each succeeding generation. Perhaps, in the end, that is what makes it so precious.

The face of the tyrant who now threatens to bury us is a relatively new face, but the form of the tyranny he represents has not changed through the ages. Something else has changed, however, that may, in turn, be changing us, and it is this that I wish to talk to you about.

Near the end of World War II—fought, among other things, ironically enough, to save our present enemy from annihilation—a new and fantastic sort of weapon was dropped from the skies on the people of a city in Japan that most of us had never heard of before. Before the strange, mushroom-shaped cloud that has since become the trademark of nuclear explosions disappeared into the stratosphere, the world, as we had known it, changed—never again to be the same.

Principally, this was so because overnight the nature of war had changed. Nuclear arms had now so diminished the advantages traditionally associated with victory in war that no rational power could accept the idea of waging such a new war as matter of policy.

We came out of World War II holding in our own hands a monopoly on this new form of mass destruction. We were awed by our responsibility. We were also fearful that our monopoly might not last—since nature does not for long play favorites in yielding up its secrets. And so, we made a sincere and determined effort to place atomic ingredients under some form of international control, hoping thereby to save succeeding generations from the very sort of atomic-arms race that is today subjecting much of mankind to the moral temptations implicit in terror.

Back then, a few saw a measure of hope in all this. Albert Einstein, whose brain had helped develop this new source of energy, said: "Since I do not foresee that atomic energy is to be a great boon for a long time, I have to say for the present that it is a menace. But perhaps it is well that it should be, for it may intimidate the human race into bringing order into its international affairs which, without the pressure of fear, it would not do."

However, neither Einstein nor most of the rest of us reckoned as we should have, for no more than did Hitler has it ever sought to conceal its ultimate intentions—with a rogue nation that was bent on world conquest and saw, here, an unexpected opportunity to use that "pressure of fear" to achieve its own tyrannical ends.

So, in 1946, that rogue nation vetoed our plan to put nuclear ingredients under United Nations supervision. Then, with the help of American and British traitors, it stole our atomic secrets, and it girdled itself with nuclear rockets and bombs which it rattled ominously while it sliced away at the foundations of freedom here and there throughout the world as a butcher slices at salami.

This policy of nuclear blackmail worked for the tyrant whenever we wavered, as we sometimes did. However, whenever we stood firm, as at Berlin in 1948, at Lebanon in 1958, and whenever we refused to give ground as at Quemoy and Matsu, the tyrant backed off, though never swerving from its ambition to eradicate every vestige of freedom and dignity and truth from all the nations of the world.

But still we tried. We even imposed upon ourselves a moratorium on nuclear testing, and, right up to the end of that parade of men from Washington who, briefcases in hand, wore a weary path to and from Geneva, we hoped that across the conference table from us were surely men of reason and goodwill who—given enough time—would come to reason and then we might have peace in our time.

However—as you know—that time ran out some 30 days ago, and, showing the depths of his duplicity, the man who a year ago said:

"Should any side violate the obligations [on testing] to which it has committed itself, the instigator of such violations will cover itself with shame and it will be condemned by the peoples of the world,"—that man set off a series of well-planned and long-planned atmospheric explosions of nuclear devices.

He has produced thereby—as he fully intended—not only the type of radioactive fallout that everywhere endangers human health, but a sort of "psychological fallout," too, that may be far more dangerous, and it is this that I wish to ask you to think about.

The so-called neutral nations of the world were meeting at Belgrade even as Khrushchev set off the first three of those explosions. Were they so mad at the Russians that they hastened to our side in this global conflict? Hardly. The best they could muster was an expression of "faint regret" at what Khrushchev had done, and then they sent Nehru of India—muttering: "The foul winds of war are blowing once again. There are atomic tests, and the world grows fearful"—off to placate Khrushchev, and two lesser lights to Washington to urge us to appease the tyrant by seeking some way to ease the tensions the tyrant had created over Berlin.

Since then, the voices of appeasement have been raised elsewhere abroad—openly the question is being asked: "Might it not, after all, be better to be Red than dead?"

And, I regret to say, that even here at home—in what we used to call the "cradle of liberty"—that same question is being silently considered by those who believe that we have been painted into such a corner over Berlin that our only alternatives are appeasement or nuclear warfare.

For instance, a distinguished religious paper (the name of which I will give you if you wish), recently carried an article declaring that—in this current crisis—our alternatives are no longer peace or war, but "peace with slavery or total destruction."

The author went on to say that while always before America has chosen the hard road to freedom—Freedom from King George, or fight—Freedom for the slaves, or fight—

Safety for democracy, or fight—that this won't work now.

"We have done it before," he says, "but we cannot do it again." He ends by saying: "Let us pray."

Now, there is certainly nothing wrong with prayer, and I suspect that many Americans are praying over this physical and moral crisis of ours already, and that many more will resort thereto before the next few months are over.

However, what I think is wrong, and dangerously wrong about this sort of analysis of our dilemma is that it assumes that the certain result of standing firm at Berlin will be a nuclear war. This is based on the further assumption that Mr. Khrushchev is more willing to accept the consequences of a nuclear holocaust than are we. I doubt that he is, unless he is a madman as was Hitler, in which event we might as well abandon hope anyway.

But why should Khrushchev seem, now, so supremely confident? Is it because he believes that he senses a shift of American will and purpose? I think it must be that—since, despite his testing tactics, whatever nuclear advantage there is probably still rests with the Western Powers. During the Eisenhower years, we followed a policy of massive retaliation, partly with the thought in mind that Khrushchev's concept of psychological fallout worked both ways. Perhaps this was not a wholly satisfactory policy—certainly it was not entirely popular with all of our own citizens nor with many of the so-called neutral nations. It was especially unpopular with the Soviets—for obvious reasons. But it was effective because it was based on a position of courage and of strength.

Earlier this year, President Kennedy declared that we must try to find ways and means for providing ourselves with a wider choice than humiliation or nuclear war. I voted for the additional funds he said were necessary to improve our limited war capabilities, but I wonder if we have not unintentionally overstressed such thinking to a point where Khrushchev thinks we have now decided to reserve our nuclear deterrent for use only in the event of a direct attack upon us.

That assumption would seriously increase the danger of miscalculation—if, in fact, such a decision has not been made. William L. Shirer, in his book, "The Rise and Fall of the Third Reich," describes how the German generals advising Hitler shook in their boots, in the late 1930's, at the thought of going to war against the powers then opposing Hitler—powers that had a potential military strength vastly superior to that of Germany. However—do you remember Neville Chamberlain and his umbrella? Hitler was led to discount the will and ability of those powers to use their collective strengths, and the result was something you men well know.

And so I think—although the President made an indirect reference to this in his excellent United Nations address last Monday—we must at once make it unmistakably clear to Khrushchev that, if necessary, we will resort to nuclear weapons in order to carry out our solemn commitments to the people of West Berlin.

Beyond that, I further think that it is time for us to begin to fight fire with fire. What do I mean?

Well, for too long now we have wrung our hands before the altar of world opinion—whatever that is—wondering whether it would be nice to test our aging supply of atomic weapons and what the world might think of us if we did. For too long we have failed to look with honest eyes at the morality of the sort of neutralism that was displayed at Belgrade. For too long we have failed to look with cold eyes at the enemy bent on destroying us and at what we must do to stay him.

So, I would suggest that now is the time to pressure Khrushchev wherever he is weak, even as he pressures us. Now is the time to put him on the defensive, and to get off the defensive ourselves, by using against him every political, psychological, and economic weapon we may have, instead of reserving them for a more serious threat than that he has created at Berlin. I would further suggest that we take another look at the United Nations, abandoning some of our idealistic thinking about it, and begin to use it—including our never-used veto power in its Security Council—to gain our own objectives. I think we must fight the admission of Red China to the U.N. with the same fervor we fight our domestic political campaigns, abandoning any thought of the inevitability of defeat. Finally, I also think we should refuse to negotiate away the future value of the people of the so-called captive nations—our "Cubas" behind the Iron Curtain—by agreeing to recognize East Germany as a sovereign state, and thus in principle accepting the whole Soviet satellite empire, merely to reaffirm something we already have, namely, the right of free access to West Berlin.

Now, all of these things, I admit, contain a considerable degree of calculated risk, and, if tried, may enhance the possibility of destruction. I also know that the consequences of nuclear warfare—though probably overemphasized, would be terrible indeed. But I doubt that, for a free people with a heritage such as ours, the consequences of surrender would be any less terrible.

And it is my further judgment that if we really wish to avoid the day when our alternatives are only humiliation or nuclear war, we must take this risk of drawing a line at Berlin and saying: "Here we stand, and, if necessary, here we die."

Let us, then, recognize the pressure of fear for what it is. Let us learn to live with it as the settlers who came to this area nearly 200 years ago, and who then later on pushed America's frontier across the Great Plains, learned to live with the ever-present danger of attack by burning, pillaging savages. Let us learn to subdue that pressure with the same courage shown by those of you who manned the trenches in France and the foxholes in those Pacific islands. Let us understand that Khrushchev is hoping that his stepped-up psychological fallout will eventually neutralize our courage and paralyze our will. Let us also realize that he wants us to believe that already our only alternatives are peace with slavery or total destruction, when, in fact and in truth, our real alternatives still are victory or defeat.

The moral temptations implicit in terror are all around us. Their only antidotes are that combination of a passion for liberty, of courage, and that form of discipline that springs from within—self-discipline—and of course, of faith—which combination has heretofore always marked the American people—a combination summed up in the words of the psalmist who, when his nation was threatened, cried: "Wait on the Lord, be of good courage, and He will strengthen thine heart; therefore will not we fear, though the earth be removed and the mountains be cast into the midst of the sea."

Progress Report on Classics of Democracy Program

SPEECH

OF

HON. BARRATT O'HARA

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 31, 1961

The SPEAKER pro tempore. Under previous order of the House, the gentleman from Illinois [Mr. O'HARA] is recognized for 60 minutes.

Mr. O'HARA of Illinois. Mr. Speaker, I am taking this time today to give to the House a progress report on the classics of democracy program, concerning which the Committee on Foreign Affairs, on page 6 of its report on the mutual security bill of 1961, said:

> The committee is pleased with the progress of what has been termed the "classics of American democracy" program. When this program was inaugurated, works such as The Federalist, which had inspired our forefathers, were unavailable in translated editions. Under the classics of American democracy program they have been translated into upward of 50 languages and dialects and made available to the peoples of new and developing nations at the grassroots. Perhaps no program has been more successful in winning the hearts and minds of the peoples of the new emerging nations. The committee strongly recommends the continuance and expansion of this program.

Naturally, I am pleased that the Committee on Foreign Affairs has given such high priority to this program since it is the development of the concept of a group of distinguished Chicagoans, most of them from the district I have the honor to represent, and which I, with the able gentleman from Ohio [Mr. FEIGHAN], had the privilege to present to the Congress.

For the benefit especially of the newer Members of the House, several of whom have asked me for more information since reading this strong recommendation in the committee's report, I shall begin by briefly sketching the high points in the birth and growth of the program of which the Committee on Foreign Affairs has said: "perhaps no program has been more successful in winning the hearts and the minds of the peoples of the new emerging nations."

LUNCHEON THAT STARTED PROGRAM

First. Participants in the luncheon in Chicago were: Dr. Jerome Kerwin, chairman of the Charles P. Walgren Foundation, University of Chicago; Dr. Harold Fey, executive editor, Christian Century; A. T. Burch, then associate editor, and Van Allen Bradley, literary editor of the Chicago Daily News; Emery T. Filbey, vice president emeritus, University of Chicago; Thomas B. Stauffer, a member of the faculty of Wilson Junior College with State Department background, the host at the luncheon; John McGinnis,

president, Pennsylvania Lodge 225, Brotherhood of Railway Clerks; and Dr. Richard P. McKeon, professor of philosophy, University of Chicago, State Department visitor to the universities of India and other countries, a recognized authority in his field, as were the others in their respective fields. It was a small group, typical of many such in American communities that give direction and drive to worthy and moral causes.

Second. From this luncheon came the Chicago Committee for the Classics of Democracy, dedicated to the task of winning hearts and minds of people everywhere who were realizing their long dream for independence by making available to them at grassroots the classics of democracy that had been an inspiration to our own forefathers. It was this committee that first brought to public attention the shocking fact that even "The Federalist" had been translated into only one language and that edition was out of print. Mr. Stauffer served as the unpaid executive secretary of the committee.

NEWSPAPER EXPOSÉ ALERTS PUBLIC

Third. The Chicago Daily News, of which Mr. Burch was the associate editor and Mr. Bradley, the literary editor, was then owned by John Knight, whose newspapers in Chicago, Michigan, Ohio, Florida, and elsewhere, and whose news and feature service to other newspapers afforded a national audience reaching pretty thoroughly into American homes the country over. The publication in the Chicago Daily News of reports from its foreign correspondents in all parts of the world, substantiating the position of the Chicago Committee for the Classics of Democracy, had a tremendous effect in arousing the American people. They reported that in country after country books on democracy nowhere were available at grassroots while Communist literature was everywhere, that the Soviet books and pamphlets were at every newsstall and every corner while the literature of democracy, such as it was, was mostly in expensively bound volumes in a few scattered libraries visited by a relatively few persons. The reports of the foreign correspondents of the Chicago Daily News were carried in the other Knight newspapers and in newspapers from coast to coast receiving the Knight news and feature service. This documented on-the-spot presentment by journalists of high standing and prestige alerted the American people for the first time to the almost unbelievable lag of the United States in the battle for the minds and hearts of people in quest for inspiration and knowledge in attaining the most perfect form of self-government.

Fourth. Meanwhile Dr. Fey, executive editor of the Christian Century, with the wide and influential circulation of that publication, was making a large contribution to building popular demand for a program directly to reach and win the hearts and minds of people by imparting to them that faith in democracy that comes only from understanding.

AMERICAN PUBLISHERS JOIN FORCES

Fifth. In 1954 the gentleman from Ohio [Mr. FEIGHAN] and I appeared before the distinguished committee of publishers serving as an advisory board to the U.S. Information Agency. Mr. Stauffer accompanied us as spokesman for the Chicago group. This committee, composed of some of the Nation's outstanding publishers and editors, gave its approval to, and endorsement of, a program to print in many languages and dialects the classics of democracy that had inspired our forefathers and to distribute them in inexpensive paperback editions through local news and book stands in all the foreign lands. Too much credit cannot be given to the American publishers who were among the first sponsors of the program and after its acceptance by USIA aided in having the classics of democracy printed in translated editions on local presses by local publishers in many foreign lands and distributed to the news stalls and book dealers in the usual manner of distribution in each of the respective countries.

QUESTIONNAIRE SHOWS PUBLIC INTEREST

Sixth. In 1957 I reported to the House the overwhelmingly favorable results of a poll which I had undertaken of representative leaders of opinion throughout the country, and following this USIA put renewed effort into the expansion of the program. In the questionnaire sent to 5,000 leaders in all activities I had requested suggestion as to which 10 books should be included in what might be termed "The bible of Democracy." The replies were so thoughtful, informative, illuminating, and reflective of such deep American thinking on this subject that I caused their insertion in the CONGRESSIONAL RECORD of January 18, 1956, A488–A495; January 19, 1956, A581–A588; January 20, 1956, A602–A607; and January 23, 1956, A666–A676, with a complete index in the CONGRESSIONAL RECORD of January 26, 1956, A816–A820. I recommend the reading of these letters by my colleagues.

REBIRTH OF "THE FEDERALIST"

I have from time to time reported on the progress and uniform success of USIA in carrying on the program. On April 8, 1959, I made my annual progress report to the House, and again on September 21, 1960. In these progress reports I emphasized the fact that "The Federalist," of which there was not one foreign translation in print at the time of the now famous luncheon in Chicago, had experienced a literal rebirth as a result of the classics of democracy program, in which USIA and private publishers, including the Franklin Press, worked in close cooperation. "The Federalist" appeared in an Italian edition, and was the bestseller of the year in nonfiction; appeared in German and was acclaimed in all the reviews in German newspapers as something long needed as a guide to self-government; appeared in Arabic and was acclaimed by the Arabic world. It was printed in African languages and was in the hands of all the delegates to the Pan-African Conference at Accra in Ghana.

PRESENT STATE OF THE PROGRAM

Mr. Speaker, my progress report this year will be confined to a statement furnished me on August 9, 1961, by Howard O. Hill of the Translations Branch of USIA, of the classics of American democracy that have been printed in foreign languages up to date, the sizes of the editions and the sales prices. I shall follow this with comments by three members of the Chicago committee, Dr. Fey, Dr. McKeon, and Mr. Stauffer. Mr. Hill's statement follows:

Classics of democracy

	Language	Edition size	Retail price
Adams, John: "The Political Writings of John Adams," editor, George A. Peek, Jr.	English	30,000	$0.15
Calhoun, John C.: "A Disquisition on Government." [1]	do	30,000	.10
Dewey, John:			
"The Public and Its Problems"	Spanish [2]	16,000	.82
"Freedom and Culture" [3]	Arabic	5,000	.75
	Chinese	2,000	3.00
	English (India)	4,000	
	French	2,000	1.54
	German	6,300	1.50
	Greek	7,000	
	Kannada	2,000	.42
	Korean (4 editions)	2,000	.57
	Malayalam	1,000	.47
	Marathi	2,500	.52
	Portuguese	5,475	.92
	Tamil	25,000	.10
	Urdu (India)	25,000	.10
	Urdu (Pakistan)	5,000	.42
	In process: Turkish.		
Emerson, Ralph Waldo: "Emerson's Essays."	Arabic	5,000	$0.90
	Telugu	1,000	.40
	Tamil	2,000	.21
	Kannada	1,000	.26
	Malayalam	2,000	.32
	Japanese (4 editions)	12,500	.92
"Basic Selections From Emerson," editor, E. Lindeman.	English	50,000	.10
	Malayalam	2,000	.32
	Greek	4,000	1.50
	Burmese	20,000	.10
	Korean	3,000	1.00
	Bengali	5,000	.32
"Selections From the Works of Emerson," editor Hans Hartmann.	German	5,000	2.33
"The Portable Emerson," editor Mark Van Doren.	Hindi	10,000	.31
	Chinese	6,000	.43
	Gujerati	5,000	.32
	Marathi	5,000	.32

Footnotes at end of table.

Classics of democracy—Continued

	Language	Edition size	Retail price
"Autobiography of Benjamin Franklin," [2] Benjamin Franklin.	Serbo-Croatian and English.	12,000	$0.31
	Serbo-Croatian	3,000	1.20
	Hindi	8,000	.63
	Arabic	5,000	.25
	Chinese	4,000	2.00
	French	3,000	1.80
	Gujerati	5,000	.37
	Greek	7,000	.83
	Hebrew	5,000	-------
	Malayalam	1,000	.37
	Portuguese	6,000	1.20
	Marathi	5,000	.37
	Indonesian	10,000	.32
	Kannada	2,000	.50
	Vietnamese	3,000	.37
	Telugu	3,000	.42
	Burmese	5,000	.31
	German	4,000	3.00
	Korean	5,000	1.20
	Urdu	5,000	.94
"George Washington," [2] Marcus Cunliffe	Japanese	17,000	-------
	In process: Urdu. Bengali.		
Hamilton, Madison, and Jay: "The Federalist Papers."	English	30,000	.15
	Italian	3,000	2.56
	French	2,000	9.60
	Korean [2]	5,000	1.54
	Spanish [2]	4,000	-------
	German	1,600	7.41
	Spanish	10,000	.87
	Portuguese [3]	1,500	1.10
	Vietnamese [3]	2,000	.35
	Assamese [3]	1,100	.73
	Bengali [3]	1,100	.73
	In process: Hindi.[6] Urdu.[7] Gujerati.[6] Marathi.[6]		
Hand, Learned: "The Spirit of Liberty"	Burmese	6,000	.42
	French	2,000	2.86
	German	6,500	6.19
	Greek	2,000	.67
	Singhalese	2,500	.21
	Telugu	1,000	.31
	Turkish	23,000	(?)
"The Bill of Rights" [3]	Japanese	2,000	.42
Hume, David: "David Hume's Political Essays, editor, Charles W. Hendel.	English	20,000	.10
Jefferson, Thomas: "Thomas Jefferson," editor, Gilbert Chinard.	Burmese	5,000	3.84
	French	1,500	1.71
	Spanish [3]	3,000	-------
"Jefferson: Champion of the Free Mind," Phillips Russell.	Malay	5,000	.34
	Japanese	17,000	.28
	Farsi	2,000	.32
	Gujerati	2,000	.31
	Marathi [9]	2,000	.42
	Urdu [9]	5,000	.21
	German [9]	2,000	1.85
	Spanish [9]	5,000	2.20
"The Life and Selected Writings of Thomas Jefferson," Adrienne Koch and Wm. Peden.	Bengali	3,000	.26
	Gujerati	5,000	.32
	Hindi	5,000	.32
	Marathi	5,000	.32
"Jefferson—A Great American's Life and Ideas," Saul Padover.	Chinese	4,000	.32
	Greek	3,000	.83
	French	1,800	3.42
"Thomas Jefferson on Democracy," Saul Padover.	Burmese	5,000	.31
	Chinese	4,000	.52
	Japanese [9]	2,500	1.39
"Thomas Jefferson and American Democracy," [9] Max Berloff.	Italian	3,000	2.40
"Thomas Jefferson," [9] Gene Lisitsky	English (India)	10,000	.32
	Arabic	5,000	.30
	Bengali	3,000	.34
	Chinese	3,000	.32
	Gujerati	3,000	.16
	Hindi	10,000	.32
	Indonesian	10,000	.06
	Japanese	3,000	.47
	Korean	2,000	.40
	Marathi	3,000	.16
	Oriya	3,000	.32
	Punjabi	3,000	.32
	Singhalese	2,500	.20
	Tamil	10,000	.05
	Telugu	10,000	.05
	Urdu	5,000	.32
	Indonesian (reprint) [9]	3,000	.06
"The Jefferson Heritage," [3] Dumas Malone.	Arabic	-------	.34
"Thomas Jefferson," [3] Vincent Sheean	Bengali	2,000	.62
	Vietnamese	1,500	.45
	In process: Hindi. Malayalam. Marathi. Tamil. Telugu. Urdu.		
"Political Writings of Thomas Jefferson," editor, Edward Dumbauld.	English	30,000	$0.15
Lincoln, Abraham: "Lincoln Reader," editor Paul M. Angle.	Thai	2,500	2.00
"Abraham Lincoln," Lord Charnwood	Arabic	4,000	.84
	English	75,000	.10
	Japanese [3]	5,000	1.05
"Abraham Lincoln," [3] James Daugherty	Arabic	6,000	.56
	Burmese (3 editions): 1st	5,000	.42
	2d	5,000	.42
	3d	10,000	.42
"Abraham Lincoln," Emil Ludwig	Bengali	1,100	.52
	Chinese	6,000	.23
	Gujerati	2,500	.42
	Hindi	5,000	.42
	Japanese	3,000	.56
	Kannada	2,000	.32
	Malayalam	2,000	.26
	Marathi	2,500	.42
	Oriya	3,000	.32
	Persian	1,500	.32
	Sinhalese	2,500	.20
	Telugu	2,000	.42
	Turkish	4,000	.35
	Tamil	2,000	.63
	Portuguese [3]	100,000	.10
"Abraham Lincoln Speaks," [3] Abraham Lincoln (USIS).	Assamese [3]	1,100	.42
	Hindi	6,500	.57
	Urdu	5,000	.63
"Abraham Lincoln: The Prairie Years and the War Years," Carl Sandburg.	Hebrew	3,000	1.25
	German	5,000	8.49
	Spanish	3,000	5.39
	Arabic [3]	6,000	1.55
	Portuguese [3]	5,000	5.40
"Abraham Lincoln," Benjamin P. Thomas	Arabic	4,000	.29
	Chinese	3,000	1.15
	Greek	5,000	1.67
	Korean	6,000	2.00
	French	3,000	2.54
	Spanish	8,000	1.76
	Slovenian	2,500	1.66
	Japanese	1,500	[10] 1.94
	German	5,000	3.81
	Serbo-Croatian	2,500	1.13
	Portuguese [3]	5,000	-------
	Turkish (2 volumes) [3]	[4] 12,000	[4] .56
	Korean (revised edition). [3]	3,000	1.15
Locke, John: "Second Treatise of Government," editor, Thomas P. Peardon.	English	25,000	.10
	Spanish [3]	25,000	1.05
Mill, John S.: "John S. Mill: Representative Government," editor, H. Penniman.	English	25,000	.10
	Arabic [3]	4,000	.70
"Essays on Liberty," editor, Shields	English	25,000	.10
	Arabic	4,600	.56
Paine, Thomas: "Selected Writings," editor, Nelson F. Adkins.	English	30,000	.15
	Bengali	25,000	.10
	Gujerati	25,000	.10
	Hindi	25,000	.10
	Japanese	25,000	.10
	Marathi	25,000	.10
	Tamil	25,000	.10
	Arabic [3]	10,000	.10
Thoreau, H. D.: "Walden or Life in the Woods."	Arabic	4,000	.75
	Chinese	8,000	.43
	Bengali	5,000	.32
	Portuguese	4,000	.68
	Telugu	5,000	.63
	Korean	5,000	1.20
	Greek	5,000	1.60
	Malayalam	1,000	.42
	Tamil	1,500	.42
	Spanish [3]	15,000	.33
"The Story of H. D. Thoreau," [3] Charles Norman.	German [3]	3,000	3.05
	Spanish	73,000	.11
"Selected Writings," editor, Cargill	In process: Arabic. English	30,000	.10
	Japanese	25,000	.10
	Arabic [3]	10,000	-------
	Spanish [3]	28,000	-------
De Tocqueville, Alexis: "Democracy in America."	Indonesian [3]	5,000	1.33
	Italian	10,000	.48
	Hindi	25,000	.16
	Japanese	5,000	.33
	Spanish	3,000	5.20
	Burmese	10,000	.21
	Italian: Vol. I	2,000	3.84
	Vol. II	2,000	
Wilson, Woodrow W.: "The Wilson Reader," Frances Farmer.	English	25,000	.15
	French	2,000	2.35
	Chinese	5,750	.50
	Gujerati	2,000	.31
"The Story of Woodrow Wilson," David Loth.	Chinese	12,000	.25
	Tamil	1,500	.10
	Portuguese	6,000	.27
	Malayalam [3] (serialization).	17,000	.01

[1] India has expressed interest in possible Indian-language editions.
[2] Published since last report.
[3] Added title.
[4] Each.
[5] Published since last report. The Hindi edition of "The Spirit of Liberty" for technical and contractual reasons is no longer active. In addition, the contract for the Japanese edition of "Spirit of Liberty" was renegotiated substituting Judge Hand's "The Bill of Rights."
[6] No contract finalized as yet.
[7] Original publisher unable to produce satisfactory translation. New publisher being sought.
[8] Free distribution.
[9] Published since last report for contractual reasons, the German edition of "Thomas Jefferson on Democracy" is no longer active. In addition, the Portuguese, Persian, Thai, Malayalam, and Kannada editions of the Lisitsky title are no longer active for technical and/or contractual reasons.
[10] Per set (vols. 1 and 2).

ITALIAN

PUBLIC LAW 480 BOOK PROGRAMS, CLASSICS OF DEMOCRACY AND RELATED MATERIALS

I. Titles published

1. "An Anthology From the Writings of French Ideologues."
2. "An Anthology From Kant's Political Writings."
3. Joseph L. Blau, "The Age of Jackson."
4. Baron Charles de Montesquieu, "Selected Works."
5. Guiseppe Mazzini, "Selected Works."
6. Alexis de Tocqueville, "Selected Works."

II. Titles in process

1. Alexander Hamilton, "Selected Works."
2. Wilhelm von Humboldt, "On the Limits of Government."
3. Carlo Cattanso and Italian liberals, "Selected Works."
4. British liberal thought of the 19th century, "An Anthology."
5. David Hume, "Political Writings."
6. John Locke, "The Second Treaty and First Letter on Tolerance."
7. "English Political Thought From 1600 to Burke."
8. "An Anthology of Italian Liberalism."
9. "Liberalism in the Age of W. Wilson."
10. Benjamin Constant, "Selected Political Writings."
11. Ralph Waldo Emerson, "Moral and Political Essays."
12. Abraham Lincoln, "Selected Writings."
13. F. D. Roosevelt, "Selected Works."
14. Thomas Jefferson, "Selected Works."

FRENCH

PUBLIC LAW 480 BOOKS PROGRAMS, CLASSICS OF DEMOCRACY AND RELATED MATERIALS

I. Titles published

1. James M. Burns, "John F. Kennedy."
2. Nye and Morpurgo, "A History of the United States."
3. John Brown, "Hemingway."
4. Mario Einaudi, "The Roosevelt Revolution."
5. Max Lerner, "America as a Civilization."

II. Titles in process

1. Marcus Cunliffe, "Literature of the United States."
2. Alfred Owen Aldridge, "Franklin and His French Contemporaries."
3. Leonard Reissman, "Class in American Society."
4. Ferdinand Stone, "Main Institutions of American Law."
5. Henry Steele Commager, "The American Mind."
6. Frederick Jackson Turner, "The Frontier in American History."
7. Morton White, "Social Thought in America."
8. John I. H. Baur, "New Art in America."
9. W. W. Rostow, "Stages of Economic Growth."
10. Robert Bowie and Carl J. Friedrick, "Etudes sur le Federalisme."

DR. M'KEON LOOKS TO FUTURE

Dr. Richard P. McKeon, professor of philosophy at the University of Chicago, State Department visitor to foreign universities, and one of the fathers of the program, writes:

DEAR CONGRESSMAN O'HARA: I have been going over the latest report of the publication of "Classics of Democracy." Mr. Thomas B. Stauffer has made the report available to the members of the citizens committee of your district which you have associated with you in your long and effective effort to get the "Classics of Democracy" translated and distributed. I am writing to you now to express my enthusiasm with the progress that has been made. Naturally, however, I think that I can serve my function as a committee member best if I add to such an expression of enthusiasm a few words of criticism and some indications of next steps that might be taken.

The reason for my enthusiasm is that the "Classics" begin to emerge clearly in this year's report. My interest in the program began during my travels abroad after the end of World War II. Both in the countries liberated from fascism and nazism and in the newly emergent states, there was little understanding of the principles or processes of democracy. The classics of Communist "democracy" were easily available, but similar fundamental and detailed statements of the principles and problems of democracy were hard to come by. This was true not only in Latin America and south Asia but even on the continent of Europe. Popular biographies of the fathers of the American Constitution or constructions of the image of the American way of life were no substitute for this purpose, though they might have an important place in an information program. My hope was that we might make "The Federalist" papers (and a dozen other works) available in all the major languages of the world so that they might be studied in the schools and read by curious educated laymen. I believe that we are beginning to achieve that end, and the effects of the program that I have observed in India and in the Arab States go far beyond what I had hoped for. An English paperback edition of "The Federalist" was widely displayed in the bookstores, and the Arabic translation received wide, intelligent, and favorable attention.

The importance of the program is political and social as well as educational and theoretic. It is relevant to the large problems of world order today as its mention in the report on the Mutual Security Act indicates, and the principles and issues the classics discuss are clearly related to your own programs on the Subcommittee on African Affairs and the Subcommittee on Inter-American Affairs. I served as a consultant, earlier this year, in the preparation of the report of the Organization of American States on "Latin American Higher Education and Inter-American Cooperation," and I was struck by the fashion in which questions of economic aid were at each point related to cultural, moral, and political considerations. The Report has one section devoted to "The Formation of Persons Capable of Cultural Leadership," in which the statement is made:

"The universities, nevertheless, cannot be limited solely to serving the social requirements of the communities in which they function. Their obligations go beyond the needs for service in this restricted sense. If the institutions of higher learning were restricted to the service of social and economic needs, asy they appear, they would lack the necessary vigor to direct the course of society. Social and economic development is not neutral from the ethical point of view; it entails a series of problems of all kinds. To anticipate these problems, to contribute to directing social change along the desired lines, to build knowledge on a foundation of moral responsibility—these are the irrefutable taks of the universities" (pp. 3–4, of the report, Washington, June 1961).

Jefferson, Adams, and Madison are suggestive guides in the intricacies of these questions, and they provide the rest of the world and us insights, which tend otherwise to be neglected, into the problems of international diplomacy and cooperation as well as into the problems of a democratic society.

I turn now to the critical and prospective vein. Let me say, first, that I realize that the classics are not the whole or even the central concern of the USIA. I speak only of what should be done in a very small portion of the program of the Agency. My reflections are not concerned with the program as a whole; if they were I should add paragraphs of enthusiasm (and criticism) concerning activities which are not here mentioned.

Within the original program of the "Classics of Democracy," we have made progress, particularly in the case of "The Federalist." (1) The list of languages into which it has been translated is still short; the translations into some languages which were announced years ago are still in process; many languages could be added. Moreover some of the translations are of selections; they are useful if well made, but the whole "Federalist" should also be available. (2) We have not made as much progress on some of the other classics. I recommend that one or two be chosen, and pushed in like fashion. My candidates would be Locke, Mill (who have appeared only in English and in one translation), and Montesquieu (who is mentioned only in the Italian program). (3) We ought to get some translations of Americans who contributed to the formation of the Constitution. My candidates would be the "Political Writings of Adams," and the "Political Writings of Jefferson" (which have appeared only in English). We have made a beginning of translation of Paine and Thoreau, and we should go further.

This first paragraph requires a footnote. Among the books published are some from "The American Heritage Series," published in the United States by the Liberal Arts Press. These include Peeks' edition of John Adams, Post's Calhoun (?), Gabriel's Federalist (?), Hendel's Hume, Dumbauld's Jefferson, Adkins' Paine, Cargill's Thoreau. I have used some of these editions in my courses in the United States and in India. They are attractively priced abroad: the American edition of Adams is $1, the foreign edition is 15 cents. I used these editions in my courses at the University of Baroda in India, and I saw them in bookstores through the Near East and south Asia. These editions of Adams, Jefferson, Paine, and Thoreau might be translated into other languages.

If the time has come for further extensions of the program, I have two additions to recommend. (1) We might add books that will clarify the problems treated in the classics. I have in mind three kinds of works: (a) a good working commentary on the Constitution; (b) collections of materials bearing on the Constitution, such as W. U. Solberg's collection "The Federal Convention and the Formation of the Union of the American States," which contains almost 300 pages of "Madison's Notes on the Constitutional Convention" (it is published in the American Heritage series for $1.75 in the United States); (c) histories dealing with the problems of the period, such as Felix Gilbert's "To the Farewell Address: Ideas of Early American Foreign Policy" (published 1961) in which our neighbors in the world will find many problems similar to their problems today. (2) The second extension would move from the field of political classics to literary classics. We might draw up another list to make more easily available to other peoples one branch of American cultural activities.

I make these suggestions because it seems to me that the program is going so well that its effectiveness and scope might be extended, and no one could do this as well as the man who brought the program into existence and saw it so far along its way. Let me congratulate you again on the "Classics of Democracy," which is a superb statesmanlike achievement. If I can be of any help in the further steps of the program, please count on my cooperation.

Yours sincerely,

RICHARD P. MCKEON.

COMMENTS AND SUGGESTIONS BY DR. FEY

Dr. Harold E. Fey, editor of the Christian Century, a participant in the Chicago luncheon and member of the

Chicago committee on the classics of democracy, comments on the USIA report, and makes suggestions on the future development of the program in the following letter:

DEAR CONGRESSMAN O'HARA: The latest report of the publication program of the U.S. Information Service concerning "Classics of Democracy" is an exciting, even if a very incomplete document. The report has come to my attention from Thomas B. Stauffer who has made it available to members of the citizens committee of your district.

It makes us proud to be associated with you in this prolonged enterprise of translating and distributing some of the classics of democracy. I congratulate you and the U.S. Information Agency on the notable progress you have made in this enterprise. I hope this is only a beginning and that the effort will expand in numbers of languages and countries to be reached and in the content of the material which is translated and distributed.

First let me make a few suggestions concerning the reporting of this enterprise. It would be much more effective if the report were more elaborate and were standardized so that year-by-year comparisons could be made. The reader needs to know how many copies have been distributed as well as how many have been published, and what the totals are of the number of languages, numbers of copies published, number of copies distributed, and geographical areas of distribution.

One impression gained by reading this list is the comparative neglect of the people speaking the native languages of Africa. Some of these at least have been reduced to written form. I suggest that a conference be held between persons in the USIA who are responsible for this program and officials of the American Bible Society, 450 Park Avenue, New York 22, in order to secure help on the technical problems involved in translating these languages. Please understand my suggestion involves only technical problems and is not intended in any way to influence the content of the USIA program. The Bible has been translated into more than a thousand languages and its distribution until recent years exceeded the distribution of Marxist publications.

In addition to urging the extension of the present program of translating and distributing the "Classics of Democracy," I would urge the widening of the list to include standard books on the workings of democracy. For example, the book by Prof. Zachariah Chaffee of Harvard on civil liberities in the United States would make a useful adjunct. Books on the operation of municipal and State governments and the problems of decentralized support of public education, welfare, and health would be useful.

I agree with Professor McKeon that an extension could be made in the field of literary classics. Please understand that these suggestions for the improvement of the program are based on great admiration for what has been already accomplished and a desire that this program be extended and improved.

I should think that the program could be promoted through the broadcasting and other public activities of the USIA. I would suggest that the organization contact the television networks of this country with a view to making the "Classics of Democracy" enterprise the subject of a nationwide public affairs television show or series of shows.

With best wishes, I am,

Sincerely yours,

HAROLD E. FEY, *Editor.*

MR. STAUFFER'S ANALYSIS OF REPORT

Thomas B. Stauffer, member of the faculty of Wilson Junior College, formerly with State Department in the foreign field, host at the Chicago luncheon, and member and executive secretary of the Chicago Committee on the Classics of Democracy, gives high praise to the achievement of USIA in developing the program but comments at some length, mostly in terms of praise, at times critical, with the underlying purpose of contribution to the development of the program to the full realization of the dream. His letter follows:

DEAR CONGRESSMAN O'HARA: In general the USIA report is excellent and shows much active work and much achievement which we can only commend. Perhaps it is due to the concise form of the report, but I feel that the idea of the classics program, as distinct from the general long-term publishing program of USIA, emerges more clearly this year than in earlier USIA reports.

As I said in earlier letters, I think the background and intent of the classics program have been very fully developed in your former statements in the House, in 1959 and 1960, and need not be reviewed. Ample justice has also been done to the various persons who have helped in the early development of the classics idea.

Perhaps, therefore, especially in view of the recognition of the classics program in the report on the Mutual Security Act, any general comments this year should look to the future.

We must not forget that our ultimate original conception included other things besides the international political classics which are the background and the intellectual tools, so to speak, of our democracy. We had intended to advocate a series of American literary classics, and a set of documentary and historical works, including such materials as a good constitutional commentary like Corwin; to what extent USIA is meeting this intent does not appear in the present report about the political classics.

Although the classics program now seems more distinct in relation to the overall program of USIA, this report does not give the whole picture of classics publishing. Last year you will recall one of the important items of your statement was the great success of the Franklin Publications edition of "The Federalist" in Arabic. This year's report lists 15 USIA editions of "The Federalist," but there is no reference to the Arabic edition from Franklin, or any other editions of classics from sources other than USIA. Thus there are certainly 16 editions of "The Federalist" in use overseas, not just the 15 listed from USIA, and the 16th is a very important one. We do not learn from USIA, and I do not know, what else may be going on in the publishing of the classics, besides the work of USIA. It is true that we turned to USIA in the first place, because there had not been enough done by ordinary commercial processes over the years. But I wish we had a total scoreboard—a list of titles, a cross list of languages, and then maybe checkmarks of different kinds to show USIA editions in hardcover, or paperback, or by price; Franklin or other American sponsored editions; native editions, and so on. The idea is to know that the books are available to the readers, not necessarily to have the American taxpayer pay for them. What, for instance, has been added to available books, by Ambassador Zellerbach's group in Italy, which first published the Italian "Federalist"?

There is another difficulty in interpreting the present concise report: in former years the progress reports included a large body of material on the reception of the published classics, in the various countries abroad. This material included reports of actual sales, and reviews, and comments by leaders in the several countries. None of this material is included in the present report, though USIA may have it available in Washington.

I think, however, that we may assume from the present report that the books continue to be well received, from the fact that a good number of them have been reprinted, and that USIA has evidently stepped up their production both in size of editions and number of titles. There is in fact a notable advance in the latter two respects, and the achievement of USIA begins to approximate our intent of saturation publication of cheap translations. (See "Franklin's Autobiography" in the report.)

The present report has not distinguished in some cases between complete texts and excerpts or selections; in regard to "The Federalist" for instance, I know that the German text is a full one, the Vietnamese a booklet of excerpts. Since two Spanish editions of "The Federalist" are listed, one of 4,000 copies, one of 10,000; perhaps one is a full text, one selections, which I know we published in Argentina; or is this a confusion of two printings?

A general difficulty which concerns me is that USIA seems to have no plan for systematic cross-distribution of books, where there is more than one country in a language area. For instance, if someone in Chile wanted the excellent de Tocqueville published in Mexico, he would have to order it individually, since USIA seems not to provide for its distribution throughout the Spanish-speaking world. So, too, I would think that some way would be found to insure that French editions would be as easily available in Madagascar, Vietnam, and Syria, as in France, even at some additional cost to USIA.

Further, when texts are listed in English, it is not discernible where they have been published or sold; I believe from other correspondence with USIA that these are mainly paperbacks sold in India.

There have been some editorial mistakes; for instance—the French Federalist was reprinted from the excellent, but out-of-print 1911 edition; that edition included a text of the Constitution as of 1911, which was reprinted without the addition of the subsequent amendments to date.

Several of the texts approved by your broad survey of American leaders, in 1956, such as Humboldt and Mazzini, are now for the first time appearing in the USIA reports, and no action at all is reported on some of the titles, e.g., Burke and Bryce. On the other hand, USIA has made good use of some titles not on our original list, such as Adams and Calhoun; and our basic list was by no means exhaustive or exclusive.

It is curious, too, that Mazzini is reprinted only in Italy, the one place where he would be most familiar anyway. This is shown in the separate report at the end of the USIA presentation, on operations in France and Italy under Public Law 480. I am not familiar with the provisions of this law but the lists of books are very good indeed, though going beyond the classics in contemporary materials.

The publication of books of high intellectual order of Rostow's "Stages of Economic Growth" not only contributes to the intellectual development of the recipient countries, and the sophistication of their economic thought, but reflects great credit on the United States as the original home, and now the sponsor abroad, of such meritorious works. It is by no means likely or necessary that these newer works should enjoy the universal interest and approval which we found attached to the classics, nor is it necessary that this should be the case, in order for serious works on important current themes to be desirable additions to the overall USIA publishing program.

You will recall however, that your original statement on the classics made the point that these historic works were by men beyond the reach of present controversy or the

suspicion of being aimed at present international tensions; Judge Learned Hand was the only living author on our original proposed list.

I personally still feel that USIA has taken books about, or biographical material, or juvenile editions too easily as meeting the intent of the classics plan, to provide texts for adults. There is difficulty, of course, in that men like Washington and Lincoln did not leave bodies of formal writing on theory, like "The Federalist"; and I note that USIA now has, besides an abundance of good adult lives of Lincoln, a Lincoln reader (and of course, lives and juveniles do have their proper place in the overall USIA program).

One more general comment; at several places in the report USIA mentions difficulties on the part of local publishers in getting adequate translations of classics texts. May I mention that I, though I know no Arabic at all, once had to develop a method for translating some very delicate materials about the international labor movement, into that language. What I did was to take the texts to several translators, independently, explaining what I thought were the nuances in English, and asking each of them for an Arabic version. I then had these various Arabic readings put together by a U.S. Government native employee; then had the whole checked by a very intelligent Arab, for general literacy, quality, and accuracy; and then had that whole reviewed by a sympathetic trade-unionist, to be sure that we had caught the special idioms of the trade unions. This revised text was then published with considerable success.

I see no reason why USIA could not produce good translations by this method. Note that some of the most successful classics editions such as the German, Italian, and Arabic Federalist, are not by commercial translators, or publisher's employees, but are by distinguished leaders of the several countries—a diplomat, a professor, a jurist, who know not only the two languages, but the subject matter as well.

I now proceed to remark on the individual titles cited by USIA: It would be good in each case to know about the editorial apparatus, introduction, and so forth.

Adams: Not on our original list, but an excellent addition. I believe these English paperbacks were mainly sold in India.

Dewey: "The Public and Its Problems": Glad to see this somewhat neglected work, his most fundamentally and directly political one, get started. "Freedom and Culture" is a good additional title.

Emerson: Do the four Japanese editions total 12,500 thousand, or is each printing that big?

Franklin: This with the Emerson, shows the beginnings of the kind of language coverage, volume, and price at which the program should take aim.

Federalist: As noted in this listing does not distinguish between complete and abridged editions, and does not mention the important Arabic edition by Franklin Publications. The full texts have apparently not appeared in cheap editions. The Hindi, Marathi, and Gujerati editions are old friends; the first letter ever from USIA, in reply to my inquiry through you in 1954 about the classics, listed these, as I recall, as published; they have since come and gone in USIA reports, as published or pending, and here they are again, pending. Burmese visitors here have expressed the hope that there would be a Burmese edition. A reputable Turkish publisher has expressed interest in doing an edition, but has heard nothing from USIA.

HAND: A leading Greek intellectual and poet has praised the quality of the Greek translation of the "Spirit of Liberty." The Bill of Rights, though a more technically juristic work, is an excellent addition:

Jefferson: All that has been done is good, but there might be more action on the texts that with biographical material; the new countries can use Jefferson's ideas, but cannot live his life. The Lisitsky "Life" is good, but a juvenile, according to its U.S. publishers. It is a pity that so many editions of any USIA book should become inactive. With so many Jefferson titles, either there is a very subtle adaptation to local markets, or a great deal of energy has been spent in copyright negotiations rather than translating and publishing.

Lincoln: I welcome the addition of a volume of texts to the abundant biographical material. The use of Charnwood's "Lincoln" is a good idea, not only for its very high merit as literature, but because, written by a non-American for non-Americans, it explains a good deal of important background that an American might take for granted. Further, this tribute to our great President by an Englishman may be more convincing abroad than the same tribute from an American. Note the good prices on the various editions of the Ludwig "Lincoln."

Locke: Note that the "Letters on Toleration" is also included, under the Public Law 480 program in Italy.

Wilson: In my personal opinion, the books cited are not a very good presentation of Wilson.

I have commented above, that very little has been done with some of the texts on our basic list, though many fine titles have been added. And, as I said, though there is great progress in language spread, volume, and price, much remains to be done.

But all in all, this is a very excellent and commendable achievement by USIA. I would not be so minutely critical as I have been, if I thought the effort would be wasted. Here, there is much more to praise than to question and I think you can go before the House and the public with every confidence that they will join with you in praise of the very real accomplishments of USIA in this matter.

I trust that you continue to feel the same satisfaction and pride as the congressional sponsor of the classics program, that are felt by the committee of your friends here who have had the honor of working with you on the "Classics of Democracy."

Yours ever,

THOMAS B. STAUFFER.

A Vital Machine

EXTENSION OF REMARKS
OF
HON. HOWARD W. ROBISON
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Wednesday, September 27, 1961

Mr. ROBISON. Mr. Speaker, all of us are deeply concerned over the situation in which our railroad industry finds itself at the present time. With storm clouds gathering on the international horizon, our Nation's railroads are daily assuming an ever greater importance.

The Honorable Nelson A. Rockefeller, Governor of the State of New York, recently testified before the Interstate Commerce Commission on this problem, and, under leave to extend my remarks, I herewith include the following editorial from the Elmira Telegram, published at Elmira, N.Y., on September 17, 1961, having reference to the Governor's timely proposals:

A VITAL MACHINE

Governor Rockefeller, whose efforts helped to save railroads from financial disaster, is at work on a new project. He has urged at Washington that a broad Federal program of aid be instituted, with the repeal of the 10 percent tax on passenger fares as the starting point.

The Governor is talking in terms of big money. The repeal of the tax, it is estimated, would be a $200 million boost to hard-pressed carriers.

Nothing in the American transportation scheme can take the place of railroads. If we can keep them—preferably operating as private corporations and not the playthings of a groping bureaucracy—we keep in operation a machine vital to peace and of incredible worth in war. If we can't we give our enemies a weapon of unimaginable power.

BILLS ENROLLED AFTER SINE DIE ADJOURNMENT

Mr. BURLESON, from the Committee on House Administration, reported that on the following dates that committee had examined and found truly enrolled bills of the House of the following titles:

On September 27, 1961:

H.R. 84. An act to stabilize the mining of lead and zinc by small domestic producers on public, Indian, and other lands, and for other purposes;

H.R. 8320. An act to amend the Freeport Harbor project, Texas;

H.R. 8876. An act to amend the Internal Revenue Code of 1954 to permit the use of identifying numbers;

H.R. 9033. An act making appropriations for foreign assistance and related agencies for the fiscal year ending June 30, 1962, and for other purposes;

H.R. 9053. An act to amend title II of the National Defense Education Act of 1958 with respect to the periods for which loans under that title are made;

H.R. 9076. An act making appropriations for civil functions administered by the Department of the Army, certain agencies of the Department of the Interior, the Atomic Energy Commission, the Tennessee Valley Authority and certain study commissions, for the fiscal year ending June 30, 1962, and for other purposes; and

H.R. 9169. An act making supplemental appropriations for the fiscal year ending June 30, 1962, and for other purposes.

On September 28, 1961:

H.R. 3572. An act to place in trust status certain lands on the Crow Creek Indian Reservation in South Dakota, and for other purposes; and

H.R. 3575. An act to authorize longer term leases of Indian lands on the Dania Reservation in Florida.

ENROLLED BILLS SIGNED AFTER SINE DIE ADJOURNMENT

Pursuant to the authority granted the Speaker pro tempore by Senate Concurrent Resolution 54, 87th Congress, he did on the following dates sign enrolled bills of the House of the following titles:

On September 27, 1961:

H.R. 84. An act to stabilize the mining of lead and zinc by small domestic producers on public, Indian and other lands, and for other purposes;

H.R. 8320. An act to amend the Freeport Harbor project, Texas;

H.R. 8876. An act to amend the Internal Revenue Code of 1954 to permit the use of identifying numbers;

H.R. 9033. An act making appropriations for foreign assistance and related agencies for the fiscal year ending June 30, 1962, and for other purposes;

H.R. 9053. An act to amend title II of the National Defense Education Act of 1958 with respect to the periods for which loans under that title are made;

H.R. 9076. An act making appropriations for civil functions administered by the Department of the Army, certain agencies of the Department of the Interior, the Atomic Energy Commission, the Tennessee Valley Authority, and certain study commissions, for the fiscal year ending June 30, 1962, and for other purposes; and

H.R. 9169. An act making supplemental appropriations for the fiscal year ending June 30, 1962, and for other purposes.

On September 28, 1961:

H.R. 3572. An act to place in trust status certain lands on the Crow Creek Indian Reservation in South Dakota; and

H.R. 3575. An act to authorize longer term leases of Indian lands on the Dania Reservation in Florida.

SENATE ENROLLED BILL AND JOINT RESOLUTION SIGNED AFTER SINE DIE ADJOURNMENT

Pursuant to the authority granted the Speaker pro tempore by Senate Concurrent Resolution 54, 87th Congress, he did on September 28, 1961, sign an enrolled bill and joint resolution of the Senate of the following titles:

S. 1292. An act to amend the act of June 19, 1918, relating to the workweek of the Fire Department of the District of Columbia, and for other purposes; and

S.J. Res. 144. Joint resolution fixing the beginning of the 2d regular session of the 87th Congress.

BILLS PRESENTED TO THE PRESIDENT AFTER SINE DIE ADJOURNMENT

Mr. BURLESON, from the Committee on House Administration, reported that that committee did on the following dates present to the President, for his approval, bills of the House of the following titles:

On September 26, 1961:

H.R. 4317. An act to amend the Internal Revenue Code of 1954 and incorporate therein provisions for the payment of annuities to widows and certain dependents of the judges of the Tax Court of the United States, and for other purposes;

H.R. 4998. An act to assist in expanding and improving community facilities and services for the health care of aged and other persons, and for other purposes;

H.R. 7377. An act to increase the limitation on the number of positions which may be placed in the top grades of the Classification Act of 1949, as amended, to provide certain additional research and development positions, and for other purposes;

H.R. 8099. An act to amend section 109 of the Federal Property and Administrative Services Act of 1949, as amended, so as to remove the limitation on the maximum capital of the General Supply Fund; and

H.R. 8444. An act to amend the act of August 12, 1955, relating to elections in the District of Columbia.

On September 28, 1961:

H.R. 84. An act to establish the mining of lead and zinc by small domestic producers on public, Indian, and other lands, and for other purposes;

H.R. 3572. An act to place in trust status certain lands on the Crow Creek Indian Reservation in South Dakota, and for other purposes;

H.R. 3575. An act to authorize longer term leases of Indian lands on the Dania Reservation in Florida;

H.R. 6775. An act to amend the Shipping Act, 1916, as amended, to authorize ocean common carriers and conferences thereof serving the foreign commerce of the United States to enter into effective and fair dual-rate contracts with shippers and consignees, and for other purposes;

H.R. 8320. An act to amend the Freeport Harbor project, Texas;

H.R. 8876. An act to amend the Internal Revenue Code of 1954 to permit the use of identifying numbers;

H.R. 9033. An act making appropriations for foreign assistance and related agencies for the fiscal year ending June 30, 1962, and for other purposes;

H.R. 9053. An act to amend title II of the National Defense Education Act of 1958 with respect to the periods for which loans under that title are made;

H.R. 9076. An act making appropriations for civil functions administered by the Department of the Army, certain agencies of the Department of the Interior, the Atomic Energy Commission, the Tennessee Valley Authority and certain study commissions, for the fiscal year ending June 30, 1962, and for other purposes; and

H.R. 9169. An act making supplemental appropriations for the fiscal year ending June 30, 1962, and for other purposes.

BILLS AND JOINT RESOLUTIONS APPROVED AFTER SINE DIE ADJOURNMENT

The President, subsequent to the sine die adjournment of the Congress, notified the Clerk of the House that on the following dates he had approved and signed bills and joint resolutions of the House of the following titles:

On September 22, 1961:

H.R. 2655. An act for the relief of Mrs. Pamela Gough Walker;

H.R. 3863. An act for the relief of Woody W. Hackney, of Fort Worth, Tex.;

H.R. 4458. An act to authorize the Secretary of the Interior to replace lateral pipelines, line discharge pipelines, and to do other work he determines to be required for the Avondale, Dalton Gardens, and Hayden Lake Irrigation Districts in the State of Idaho;

H.R. 7035. An act making appropriations for the Department of Labor, and Health, Education, and Welfare, and related agencies, for the fiscal year ending June 30, 1962, and for other purposes;

H.R. 7500. An act to provide for a Peace Corps to help the peoples of interested countries and areas in meeting their needs for skilled manpower;

H.R. 7916. An act to expand and extend the saline water conversion program being conducted by the Secretary of the Interior;

H.R. 8406. An act to further amend Reorganization Plan No. 1 of 1958, as amended, in order to change the name of the office established under such plan, and for other purposes;

H.R. 9030. An act to amend the act to promote the education of the blind, approved March 3, 1879, as amended, so as to authorize wider distribution of books and other special instruction materials for the blind, and to increase the appropriations authorized for this purpose, and to otherwise improve such act;

H.J. Res. 109. Joint resolution designating the 17th day of December 1961 as "Wright Brothers Day"; and

H.J. Res. 499. Joint resolution authorizing a celebration of the American patent system.

On September 26, 1961:

H.R. 115. An act for the allocation of costs on the Wapato-Satus unit of the Wapato Indian irrigation project;

H.R. 1325. An act for the relief of Mrs. Seto Yiu Kwei;

H.R. 1333. An act for the relief of A. N. Deringer, Inc.;

H.R. 1369. An act for the relief of Zsuzsanna Reisz;

H.R. 1378. An act to authorize the Secretary of the Interior to enter into an exchange of certain land in Madera County, Calif., with Mary Saunders Moses;

H.R. 1394. An act for the relief of Laszlo Hamori;

H.R. 1399. An act for the relief of Mrs. Josefa Pidlaoan and daughter, Annabelle Pidlaoan;

H.R. 1422. An act for the relief of Mrs. Agavni Yazicioglu;

H.R. 1459. An act for the relief of EN/2 Hideo Chuman, U.S. Navy;

H.R. 1496. An act for the relief of Aloysius van de Velde;

H.R. 1532. An act for the relief of Jeanine Ruth Tabacnik;

H.R. 1550. An act for the relief of Jesus Garza Lopez;

H.R. 1551. An act for the relief of Kim-Ok Yun;

H.R. 1569. An act for the relief of Isei Sakioka;

H.R. 1581. An act for the relief of Maria Falato Colacicco;

H.R. 1583. An act for the relief of Mrs. Chung-Huang Tang Kao;

H.R. 1614. An act for the relief of Byron K. Efthimiadis;

H.R. 1630. An act for the relief of Carma Pereira de Bustillos;

H.R. 1646. An act for the relief of Joan Josephine Smith;

H.R. 1714. An act for the relief of Nicholas J. Katsaros;

H.R. 1898. An act for the relief of Isabel Brown;

H.R. 1901. An act for the relief of Georgia J. Makris;

H.R. 2136. An act for the relief of Hajime Misaka;

H.R. 2145. An act for the relief of Joginder Singh Toor;

H.R. 2179. An act for the relief of Essie V. Johnson;

H.R. 2280. An act to provide for the withdrawal of certain public lands 40 miles east of Fairbanks, Alaska, for use by the Department of the Army as a Nike range;

H.R. 2281. An act to reserve for use by the Department of the Army at Fort Richardson, Alaska, certain public lands in the Campbell Creek area, and for other purposes;

H.R. 2282. An act to provide for the withdrawal from the public domain of certain lands in the Ladd-Eielson area, Alaska, for use by the Department of the Army as the Yukon Command training site, Alaska, and for other purposes;

H.R. 2283. An act to provide for the withdrawal from the public domain of certain lands in the Big Delta area, Alaska, for continued use by the Department of the Army at Fort Greely, and for other purposes;

H.R. 2308. An act to amend the Ship Mortgage Act, 1920, with respect to its applicability to certain vessels;

H.R. 2334. An act for the relief of Washington George Brodber Bryan;

H.R. 2555. An act to authorize pay with respect to civilian employees of the United States in cases of emergency evacuations, to consolidate the laws governing allotment and assignment of pay by such employees, and for other purposes;

H.R. 2585. An act relating to the credits against the employment tax in the case of certain successor employers and to provide an election for past taxable years with respect to the determination of gross income from mining in the case of quartzite and clay used in the production of refractory products;

H.R. 2615. An act for the relief of Dr. Victor Wang Ta Ng and his wife, Alice Siu Har Ng;

H.R. 2666. An act for the relief of Adelina Benedict (nee Rosasco);

H.R. 2822. An act for the relief of Gregoire A. Kublin;

H.R. 3007. An act for the relief of Alberto Luciano (Rocchi) Rosasco;

H.R. 3133. An act for the relief of Mrs. Maria A. Schmoldt;

H.R. 3393. An act for the relief of Istvan Zsoldos;

H.R. 3404. An act for the relief of Elemer Christian Sarkozy;

H.R. 3718. An act for the relief of Matthias Nock, Jr.;

H.R. 3920. An act to authorize an exchange of land at the Agricultural Research Center;

H.R. 4028. An act for the relief of Lennon May;

H.R. 4221. An act for the relief of Sylvia Abrams Abramowitz;

H.R. 4384. An act for the relief of Richard Fordham;

H.R. 4484. An act for the relief of Miss Liu Lai Ching;

H.R. 4499. An act for the relief of Mrs. Margaret Ruda Daniel;

H.R. 4553. An act for the relief of Zbigniew Ryba;

H.R. 5136. An act for the relief of Compton Jones and Hulbert Jones;

H.R. 5138. An act for the relief of Francisco Joaquim Alves;

H.R. 5141. An act for the relief of Vito Recchia;

H.R. 5334. An act for the relief of Mrs. Helena Sullivan;

H.R. 5486. An act to prohibit the examination in District of Columbia courts of any minister of religion in connection with any communication made to him in his professional capacity, without the consent of the party to such communication;

H.R. 5613. An act for the relief of Fernando Manni;

H.R. 5735. An act for the relief of Steven Mark Hallinan;

H.R. 6007. An act to amend section 505(d) of the Classification Act of 1949, as amended, with respect to certain positions in the General Accounting Office;

H.R. 6141. An act to amend the act of September 1, 1954, in order to limit to cases involving the national security prohibition on payment of annuities and retired pay to officers and employees of the United States, to clarify the application and operation of such act, and for other purposes;

H.R. 6158. An act for the relief of Adolphe C. Verheyn;

H.R. 6193. An act to authorize the Secretary of Agriculture to convey certain lands in the State of Wyoming to the county of Fremont, Wyo.;

H.R. 6494. An act to provide for withdrawal and reservation for the use of the Department of the Air Force of certain public lands of the United States at Nellis Air Force Range, Nevada, for defense purposes;

H.R. 6729. An act to provide for the disposal of certain lands held for inclusion in the Cape Hatteras National Seashore Recreational Area, N.C., and for other purposes;

H.R. 7057. An act relating to the determination of gross income from the property for taxable years prior to 1961 in the case of certain clays and shale which were used in the manufacture of certain clay products;

H.R. 7358. An act to amend section 4126 of title 18, United States Code, with respect to compensation to prison inmates for injuries incurred in the course of employment;

H.R. 7576. An act to authorize appropriations for the Atomic Energy Commission in accordance with section 261 of the Atomic Energy Act of 1954, as amended, and for other purposes;

H.R. 7873. An act for the relief of Mrs. Maria Gonzalez Fernandez Long;

H.R. 8236. An act to authorize the use of funds arising from judgments in favor of any of the Confederated Tribes of the Colville Reservation;

H.R. 8302. An act making appropriations for military construction for the Department of Defense for the fiscal year ending June 30, 1962, and for other purposes;

H.R. 8341. An act to authorize the Secretary of the Interior to conduct a study covering the causes and prevention of injuries, health hazards, and other health and safety conditions in metal and nonmetallic mines (excluding coal and lignite mines);

H.R. 8414. An act to amend section 5011 of title 38, United States Code, to clarify the authority of the Veterans' Administration to use its revolving supply fund for the repair and reclamation of personal property;

H.R. 8490. An act to amend the act of September 2, 1958, establishing a Commission and Advisory Committee on International Rules of Judicial Procedure, as amended;

H.R. 8678. An act to provide for the conveyance of a portion of the Henry G. Shirley Memorial Highway and other highways on the Pentagon road network to the Commonwealth of Virginia, and for other purposes;

H.R. 8762. An act to amend the Small Business Act;

H.R. 9080. An act to authorize the Philadelphia, Baltimore, & Washington Railroad Co. to construct, maintain, and operate branch sidings over First Street Southwest in the District of Columbia;

H.R. 9118. An act to establish a U.S. Arms Control and Disarmament Agency;

H.J. Res. 358. Joint resolution authorizing the President to issue annually a proclamation designating the third week in March as National Poison Prevention Week, in order to aid in bringing to the American people the dangers of accidental poisoning; and

H.J. Res. 558. Joint resolution providing for printing of "Cannon's Procedure in the House of Representatives."

United States of America

Congressional Record

PROCEEDINGS AND DEBATES OF THE 87th CONGRESS, FIRST SESSION

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Appendix

NOTICE

The last issue of the daily Congressional Record for the first session of the Eighty-seventh Congress will be published not later than Tuesday, October 17, 1961. It is requested that copy and proofs of speeches withheld for revision, or extensions of remarks as authorized by either House, be submitted to the Government Printing Office or to the Congressional Record Clerk, Statuary Hall, Capitol, before that date.

By order of the Joint Committee on Printing.

CARL HAYDEN, Chairman.

Legislative Review of Activities During 87th Congress, 1st Session

EXTENSION OF REMARKS
OF

HON. MIKE MANSFIELD

OF MONTANA

IN THE SENATE OF THE UNITED STATES

Wednesday, September 27, 1961

Mr. MANSFIELD. Mr. President, this has not been an ordinary session of Congress, if indeed there is such a thing. It was marked by a change of administration in the White House, and by a change of leadership in the Senate. It began in a period of economic recession and adjourned in a time of international crisis.

Nevertheless, the agenda of this Congress was, in many respects, familiar. Several of the major bills it considered and adopted had been offered before, but had failed of ultimate adoption. Area redevelopment; minimum wage; omnibus housing; major amendments to our farm programs; long-term commitments to our foreign-aid program; these are distinguished parts of a substantial legislative record, at last written into law.

Great credit is due to the sponsors and managers of these bills, for their determination to see them enacted after long years of frustration. Great credit must also be paid to the new administration, for the intelligence and vigor with which it presented its program to the Congress. It is not too much to say that our efforts for a progressive legislative program in Congress would have been frequently unavailing without the concern and counsel of the Executive.

The accomplishments of this session are a testimonial to the good sense and vitality of the American system. Divided on election day, partisan on the stump, diverse in our interests, we can still meet in the National Legislature to do the country's business, without the enduring rancors that have plagued many nations of the world.

The Democratic Party, commanding majorities in both Houses, must take the major responsibility for the achievements, the postponements, and the shortcomings of this session. But in reality neither success nor failures are the property of one party. They are the property of each man and woman who serves the people in Congress, and ultimately of the people themselves, who have entrusted us with the management of their public business.

What follows is an accounting of that trust during the 1st session of the 87th Congress.

ECONOMIC AREA—AGRICULTURE

Omnibus farm bill: Enacted a major farm bill to reduce wheat and feed grain surpluses; authorized Secretary to consult with farmers, farm organizations, and other groups to develop new farm programs; extended the Agricultural Trade and Development Act to December 31, 1964; consolidated and modernized the Farmers Home Administration; extended the Wool Act for 4 years to March 31, 1965; extended Great Plains conservation program to December 31, 1971; authorized a 5-year extension of the school milk program to be paid by direct appropriations; and extended the Veterans' Administration and armed services milk program to 1964, with CCC furnishing the funds—Public Law 87–128.

Feed grains: Authorized a 1-year emergency price support for the 1961 crop of corn at $1.20 a bushel with the other feed grains to be supported at fair and reasonable levels in relation to corn, in an effort to raise the incomes of feed-grain producers and to reduce the mounting surpluses of feed grains in Government hands—Public Law 87–5.

Drought relief: Enacted a temporary 1-year program authorizing the sale of Government surplus corn and feed grains to needy farmers and ranchers in drought areas at 75 percent of Government price-support levels and permitting grazing of livestock on grasslands idled by the soil bank and other conservation programs or moving hay on these lands in or near drought areas—Public Law 87–127.

Farm loans: Increased proportion of appropriated farm loan funds available for individual farms with debt over $10,000 from 10 percent to 25 percent to help meet the rapid and increased cost of farming—Public Law 87–8.

Mexican farm labor: Extended and revised the Mexican farm labor program for 2 years, to December 31, 1963; prohibited infringement upon the rights of domestic workers—Public Law 87–345.

Cotton farmers' relief: Authorized emergency relief to cotton farmers where floods have made it impossible to plant—Public Law 87–37.

Farm credit: Liberalized farm credit laws to: permit installment payments on Federal land bank loans to be scheduled more frequently than semiannually if desirable to the borrower; permit Federal land bank loans to be made to corporations set up by farming families—now restricted to persons—extend from

5 to 7 years the permissible maturity of intermediate-term loans; require in applying the earnings at the end of each fiscal year that one-half of 1 percent of the loans outstanding be held in reserve up to the accumulation of 3½ percent of the outstanding loans—Public Law 87–343.

GENERAL ECONOMY

Federal unemployment compensation: Authorized Federal advances to permit the States to extend unemployment benefits up to an additional 13 weeks for workers who have exhausted their regular benefits during the recession, thus providing an unemployed worker with benefits up to a total of 39 weeks—in an effort to ease the unemployment problem throughout the country—Public Law 87–62.

Aid to dependent children: Authorized a 14-month program, from May 1, 1961, through June 1962 of aid-to-dependent children, permitting States to aid needy unemployed parents and their children who are not now eligible for aid in which the Federal Government participates; and increased by $3 the minimum amount to which the Federal Government will participate on a matching basis in State programs carrying out the special medical care provision for recipients of old-age assistance—Public Law 87–31.

Railroad unemployment compensation: Approved benefits of a similar nature for unemployed railroad workers under the Railroad Unemployment Insurance Act—Public Law 87–7.

Railroad retirees: To bring the railroad retirees in line with the beneficiaries of social security, this amendment to the Railroad Retirement Act permits men without 30 years service to receive reduced annuities upon reaching age 62; and reduced from 3 to 1 year the required time which must elapse after marriage before a wife or husband, otherwise qualified, may receive the annuity—Public Law 87–285.

Minimum wage: Increased minimum wage to $1.25 (from $1) and extended coverage to 3.6 million additional workers—Public Law 87–30.

Area redevelopment: Established the Area Redevelopment Administration in the Department of Commerce, and authorized a 4-year program of $300 million in loans and $94 million in grants for industrial plants and public facilities in economically distressed areas—Public Law 87–27.

Social security: Increased minimum old-age insurance benefits and benefits to widows under the Social Security Act; provided reduced benefits to men at 62; liberalized disability provisions; increased tax for workers and employers by one-eighth of 1 percent; increased (for 1 year) the amount of public assistance payments for old age assistance, aid to the blind, and aid to the permanently and totally disabled—Public Law 87–64.

Manpower Training Act of 1961: Authorizes a 4-year, $655 million manpower training program to help alleviate the unemployment problems by enabling workers whose skills are obsolete to receive training which will qualify them to obtain and hold jobs, with priority to unemployed persons including those in farm families with a net income of less than $1,200 a year—S. 1991.

Housing Act of 1961: Enacted a housing program, authorizing $4.9 billion in new funds. The act provides for a new 2-year experimental plan of low-interest rate, 35-year mortgage loans for middle-income housing (except in hardship cases the mortgages may be extended to 40 years); requires a 3-percent downpayment on low-income housing, with a permissive inclusion of settlement costs; authorizes $75 million for mass transportation systems, and $50 million for "open space" grants; and includes a reauthorization of approximately 100,000 public housing units—Public Law 87–70.

FHA: Increased by $1 billion the mortgage insurance authorization of FHA—Public Law 87–38.

Veterans' home loans: Extended direct and guaranteed home loan programs for World War II veterans to July 26, 1967; and for Korean conflict veterans to February 1, 1975; authorized an additional $1.2 billion for direct loan program through fiscal 1967—Public Law 87–84.

Federal Aid Highway Act: Enacted the Federal Aid Highway Act of 1961, revising the original estimated authorization for 41,000-mile, 13-year program of interstate highways by increasing the Federal Government's share from $25 billion to $37 billion; extended for 2 years the incentive bonus for States to enter into agreements for billboard controls—Public Law 87–61.

Federal Airport Act extension: Extended the Federal Airport Act for 3 years to June 30, 1964, and authorized a total appropriation of $225 million, or $75 million annually—Public Law 87–255.

Small business loans: Increased by $20 million the amount that the Small Business Administration may commit for loans under their regular business loan program, which will enable SBA to continue its loan program without interruption for approximately 1 month—Public Law 87–198.

Small business amendments: Increased SBA's revolving fund by $105 million which, in addition to the $20 million approved in Public Law 87–198, increases the total SBA revolving fund to $1,125 million—Public Law 87–305.

Small Business Investment Act: Increased limit on amounts Small Business Administration may lend small business investment corporations and on latters' investments in individual enterprises—Public Law 87–341.

ICC loans: Extended for 27 months (to June 30, 1963) authority of Interstate Commerce Commission to make loans to help ease the credit difficulties of railroads—Public Law 87–16.

Small towns and rural counties: Established a 20-member bipartisan Commission on Problems of Small Towns and Rural Counties to study and investigate Federal policies and programs relating to the economic needs and problems of these areas. (S. 1869.)

Water pollution control: Authorized an additional $270 million to help communities construct sewage treatment plants to control water pollution, thus raising the annual limit on grants from $50 million yearly to $80 million for fiscal 1962, $90 million for fiscal 1963, $100 million for fiscal 1964, through and including 1967. In addition, this measure increased from $3 to $5 million the annual Federal matching grants to States to administer water pollution control programs and extended the program through June 30, 1968, and authorized $5 million a year for the Secretary to use to develop demonstration program to treat sewage, to measure pollutants, and to evaluate the effects of sewage treatment—Public Law 87–88.

Debt limit: Increased the public debt limit by $13 billion to $298 billion through June 30, 1962—Public Law 87–69.

Lead-zinc subsidy: Aided the domestic lead-zinc industry by authorizing a 4-year program of stabilization payments for small mineowners—75 percent for lead and 55 percent for zinc of the difference between 14½ cents a pound and the market price whenever the market falls below 14½ cents—Public Law 87–347.

Mid-State reclamation project, Nebraska: Authorized construction of the mid-State reclamation project in Nebraska and provided for its inclusion in the Missouri River Basin project. Estimated cost is $81,467,000, repayable within the 40-year contract period. (S. 970.)

San Juan-Chama: Authorized $221 million in appropriation to construct the Navajo Indian irrigation project and the San Juan-Chama project, to irrigate land and help stabilize the economy of the water deficient Rio Grande and Canadian Basins. (S. 107.)

Illinois River: Authorized a $58 million project to improve and deepen the channel of the Kaskaskia River in Illinois to enable coal producers to transport coal by barges at reduced rates to permit competitive market pricing. (S. 520.)

TRADE AND COMMUNICATIONS ECONOMY

Foreign trade: Expands Commerce Department services to importers and exporters and accelerates programs to promote foreign trade. (S. 1729.)

Ship trade-ins: Liberalized the law regarding obsolete trade-ins by authorizing the Federal Maritime Commission to take trade-ins either when the owner signs the contract for construction or purchase of a new vessel or—at the owner's option—within 5 days of the delivery date of the new vessel. (S. 1728—Public Law 87——.)

Dual-rate shipping: Permanently legalized the operation of steamship conferences and dual systems of contracts for shippers and strengthened the antimonopoly provisions—Public Law 87–34.

Steamship operators: Authorized steamship operators under subsidy contracts to use part of their required reserve for research and planning—Public Law 87–271.

Broadcasting: Liberalized antitrust law to validate certain contracts for television broadcasting of professional sports games—Public Law 87–331.

Civil antitrust investigations: Authorized the Attorney General to compel the

production of documents required as evidence in civil antitrust investigations—S. 167.

Duty-free allowance: Reduced the duty-free exemption from $500 to $100 through June 30, 1963, to counter our unfavorable balance of payments—Public Law 87–132.

AEC sales: Accelerated property sales to stimulate the economic growth of atomic energy communities—Public Law 87–174.

Metal scrap: Extended to June 30, 1962, the existing suspension of import duties on metal scrap—Public Law 87–110.

Corporate excise extension: Extended for an additional year the existing 52 percent corporate income tax rate, excise tax rates on automobiles, liquor, and tobacco, and taxes on local telephone calls and passenger transportation, thus preventing a loss of revenue of some $2.5 billion—Public Law 87–72.

Clay and shale—tax treatment: Permits miners of clay and shale to include as a depletion allowance the process of manufacturing brick and tile—Public Law 87–312.

Income-tax returns: Curbed tax evasion by assigning identifying numbers to all taxpayers—Public Law 87–397.

Unemployment tax credits: Prevented double taxation in the case of Federal and State unemployment taxes arising as a result of a technical deficiency in the Federal tax law—Public Law 87–321.

Federal savings and loan: Strengthened the Federal Home Loan Bank Act and the National Housing Act by increasing the reserves and cutting the overcapitalization of the Federal Savings and Loan Insurance Corporation created as a reserve credit facility for savings and home mortgage credit institutions—Public Law 87–210.

VETERANS' AID

Disabled veterans' compensation increase: Provided increases in rates of service-connected disability compensation (to reflect cost-of-living increases since last compensation raise in 1957) ranging from 2.6 to 16.7 percent, depending upon degree of disability; restores for 2 years after January 1, 1962, the eligibility of veterans who served between October 8, 1940, and April 24, 1951, to apply for national service life insurance. (H.R. 879.)

Disability benefits: Increased weekly disability benefits for longshoremen and harbor workers to $70 (from $54); provided comparable increases in death cases from $81 to $105; and increased statutory maximum compensation payable for all injuries other than cases of permanent total disability or death from $17,280 to $24,000—Public Law 87–87.

Veterans' widows: Increased payments to veterans' widows. (Public Law 87–263.)

INTERNATIONAL AREA

Foreign assistance authorization: Authorized a total appropriation of $4,253,500,000 for fiscal 1962; a long-term (5-year) Development Loan Fund program authorizing an appropriation of $1.2 billion for fiscal 1962 and $1.5 billion for each fiscal year from 1963 to 1966; and established a new foreign aid agency. (Public Law 87–195.)

Latin American aid: Appropriated $600 million for Latin-American aid program, which includes $100 million in disaster relief for Chile, $394 million for loans by the Inter-American Development Bank, $6 million for social and economic programs of the Organization of American States, and $100 million for loans and grants by the International Cooperation Administration—Public Law 87–41.

OECD: Ratified the creation of the Organization for Economic Cooperation and Development consisting of 18 European member nations, the United States, and Canada, to promote economic stability and an orderly growth of the economies of the member states.

OECD—Permanent representation: Authorized the President to appoint, subject to Senate confirmation, a permanent representative of the United States to the Organization for Economic Cooperation and Development, and provided for the cost of U.S. participation in OECD including salaries of the American representative and his staff. U.S. share is 25 percent of the OECD budget which will run to about $5 million annually. (S. 2423.)

Battle Act revision: Strengthen U.S. policy abroad by authorizing the President to permit economic aid to Iron Curtain countries, except the Soviet Union and Communist-held areas of the Far East, when he considers it important to U.S. security. (S. 1215.)

Foreign bank tax exemption: Exempted foreign central banks from payment of taxes in this country on interest accrued from ownership of U.S. Government securities not used or held for commercial purposes—Public Law 87–27.

Peace Corps: Carried out the President's recommendation to establish a Peace Corps of American volunteers to carry America's skills and talents and idealism abroad to help other peoples to help themselves. The Peace Corps is designed to provide the framework through which America's idealism, her humanitarianism, and her generosity can find a personal expression in the task of helping to build with our own hands a better world for our mankind—Public Law 87–293.

Disarmament: Established a U.S. Arms Control and Disarmament Agency to deal with the problem of reduction and control of armaments looking toward ultimate world disarmament—Public Law 87–297.

U.S. Travel Service: Established a U.S. Travel Service in the Department of Commerce to promote and encourage tourist travel from abroad—Public Law 87–63.

Surplus as aid: Authorized disposal of additional $2 billion in surplus commodities under the Agricultural Trade Development and Assistance Act—Public Law 87–27.

Sugar Act: Extended the Sugar Act of 1948 for 15 months to June 30, 1962, fixing quotas of domestic and foreign producers; and continuing the President's authority to exclude Cuban sugar imports and reallocate its quota—Public Law 87–15.

Agricultural aid: Authorized the administration to continue and expand the use of our agricultural abundance in helping needy people in the less developed countries through development programs under title II of Public Law 480, Agricultural Trade Development Act—Public Law 87–92.

Alien Orphan Adoption Act: Made permanent and expanded the Alien Orphan Adoption Act which permits orphans adopted or to be adopted by U.S. citizens to enter the country on nonquota visas—Public Law 87–301.

Refugee Assistance Act: Authorized aid for resettlement of refugees-escapees from Iron Curtain countries abroad and those seeking asylum here from Cuba; and authorized the President to use up to $10 million in any fiscal year in order to meet unexpected refugee and migration developments important to the national interest—H.R. 8291.

Repatriation assistance: Enacted an emergency 1-year repatriation assistance program to provide temporary assistance to U.S. citizens and dependents of U.S. citizens returning from abroad without available resources. Aid can consist of money payments, medical care, temporary billeting, or other goods or services needed for the health and welfare of the recipients—Public Law 87–64.

Caribbean Organization: Authorized the President to accept on behalf of the United States the agreement establishing the Caribbean Organization; the participation of Puerto Rico and the Virgin Islands in the Organization; made available to the Organization the privileges, exemptions, and immunities conferred by the International Organizations Immunities Act; and authorized the Secretary of State to appoint a U.S. observer to the Organization. Organization is to concern itself with social, cultural, and economic matters of common interest to the Caribbean area—Public Law 87–73.

Fulbright Act: Authorized legally classified American nationals to qualify and receive financial assistance under the Fulbright Act for advanced education abroad—Public Law 87–153.

Cultural exchange: Consolidated all cultural and educational exchange programs in an effort to promote these programs to a more important position in our foreign relations. The exchange programs combined are the Fulbright Act, the Smith-Mundt Act, the Finnish-Debt Payments Act, the Mutual Security Act of 1954, as amended, the Agricultural Trade Development and Assistance Act of 1954, and the International Cultural Exchange and Trade Fair Participation Act of 1956—Public Law 87–256.

U.S. food reserve: Expressed an interest in exploring with other nations the possibility of establishing an international food and raw materials reserve under the United Nations and related international organizations to acquire and store in appropriate countries raw or processed farm products and other raw materials exclusive of minerals.

Export-Import Bank: Authorized Export-Import Bank to guarantee and insure U.S. exporters and importers against political and credit risks of loss in foreign countries—Public Law 87–311.

Red China: Expressed as the sense of the Congress that:

First. The United States should continue to support the Government of the Republic of China as the representative of China in the United Nations;

Second. The United States shall continue to oppose seating of the Chinese Communist regime in the U.N. so long as that regime persists in defying the principles of the U.N. Charter; and

Third. The American people support the President in not according diplomatic recognition to the Chinese Communist regime.

International Finance Corporation amendment: Amended the charter of the IFC to allow purchase of capital stock to encourage private investment in underdeveloped countries by creating a wider flexibility of financing to meet the varying needs of private enterprise—Public Law 87–185.

Mercy fleet: Supported the establishment by the President of a White Fleet—a force of mercy ships to assist in disaster areas in any coastal region of the world, as well as to carry on a regular program of logistics support in the public health field and other works of technical assistance.

Inter-American Children's Institute: Continued U.S. participation in and contributions to the Inter-American Children's Institute—Public Law 87–365.

NATO: Extended through June 30, 1962, the life of the U.S. Citizens Commission on NATO, a commission established to explore means of increasing cooperation and unity of purpose among NATO countries—Public Law 87–116.

United States-France: Provided immediate effectiveness for atomic cooperation for mutual defense purposes between the United States and France—Public Law 87–363.

Loans to friendly nations: Authorizes loan of naval vessels to certain friendly nations—Public Law 87–387.

TREATIES

Belgium treaty: Ratified a commercial treaty with Belgium to provide protection for property and interests of American citizens and companies in Belgium and to assure fair and nondiscriminatory treatment in commercial, industrial, and financial activities, in return for like assurances in the United States.

Brazil: Ratified a treaty of extradition with Brazil.

Columbia River: Ratified a treaty between the United States and Canada for cooperative development of the Columbia River.

Geneva radio regulations: Ratified the Geneva radio regulations containing a number of provisions relating to the international regulation of radio communication to assist the United States in carrying out its scientific efforts in radio astronomy and space research.

German war bonds: Ratified a second agreement with Germany for the validation of East German dollar bonds to enable owners of these bonds to establish they were acquired from legitimate sources and not through Soviet sources in Berlin at close of World War II.

International Telecommunications Convention: Ratified Executive J which continues in effect the principal provisions of the International Telecommunications Convention to maintain and extend international cooperation of the improvement and rational use of telecommunications of all kinds.

Load line: Ratified a modification to the International Load Line Convention.

Oil pollution: Ratified the International Convention for the Prevention of Pollution of the High Seas by Oil.

Vietnam treaty: Ratified a commercial treaty with Vietnam to provide protection for property and interest of American citizens and companies in Vietnam and to assure fair and nondiscriminatory treatment with respect to engaging in commercial, industrial, and financial activities, in return for like assurances in the United States.

Pollution of sea by oil: Implemented the International Convention for the Prevention of the Pollution of the Sea by Oil, which prohibits discharge of oil from tankers and imposes fines and penalties for violations—Public Law 87–167.

DEFENSE AND SPACE EXPLORATION AREAS

Ready Reserves: Granted authority, requested by the President, to call to active duty up to 250,000 ready reservists, authority to continue until July 1, 1962; and to grant discretionary authority to the Secretary of Defense to extend enlistments, appointments, and other service obligations up to 12 months, which would otherwise expire on July 1, 1962—Public Law 87–117.

Alien enlistment: Authorized peacetime enlistments in the Army and Air Force by persons who have been lawfully admitted to the United States for permanent residence—Public Law 87–143.

Military procurement: Authorized $12.4 billion procurement program for aircraft, missiles, and naval vessels for fiscal 1962—Public Law 87–53.

Military: Clarified the reemployment provisions of the Universal Military Training and Service Act—Public Law 87–391.

Additional military procurement authorizations: As requested by the President, authorized additional funds to provide for additional equipment primarily to improve the nonnuclear defense capabilities of our ground forces and of the Navy and Air Force; to provide increased air and sea lift; and to expand our antisubmarine warfare program. The overall request for additional authorization for procurement of weapons, equipment, and ammunition was $1,753 million; however, of this amount, additional authorizations are required only for $958,570,000—Public Law 87–118.

Military construction: Authorizes $831 million for construction and improvement projects at military bases at home and abroad, including missile sites and nuclear submarine bases—Public Law 87–57.

Aeronautics and Space Council: Reactivated and strengthened the usefulness of the Aeronautics and Space Council, and provided that it be administered by the Vice President—Public Law 87–26.

NASA authorization: Authorized $1,784,300,000 for the National Aeronautics and Space Agency—Public Law 87–98.

Civil aviation insurance: Extended until 1966, for 5 years, title XII of the Federal Aviation Act of 1958, to provide that in the event of war the Nation's civil air fleet would have adequate insurance coverage for war risks—Public Law 87–89.

War hazards: Increased monthly disability and death compensation payable under the War Hazards Compensation Act—Public Law 87–380.

Military: Amended the Uniform Code of Military Justice to provide specific authority for prosecution of bad check offenses—Public Law 87–385.

Marine Corps: Improved the combat effectiveness of the Marine Corps by providing for the expanded assignment of supply-duty-only officers to unrestricted duty—Public Law 87–123.

Emergency evacuation: Provided for advances in pay to Armed Forces personnel in cases of emergency evacuation of dependents from oversea areas—Public Law 87–188.

Coast Guard—temporary appointments: Extended to January 1, 1964, the authority of the President to make temporary appointments in the Coast Guard, or until such time as the Secretary of the Treasury determines that the number of officers holding permanent appointments on the active list of the Coast Guard is equal to 95 percent of the number authorized by law—Public Law 87–257.

AEC authorization: Authorized $270,440,000 for a total of 40 new AEC projects including the Stanford linear electron accelerator and electric generating facilities—Public Law 87–315.

AEC omnibus amendments: Enacted numerous amendments to the AEC Act designed to provide a better framework and to help us keep pace with emerging developments in atomic energy. Amendments included the transfer of 3 kilograms of plutonium and 500 grams of uranium 233 to the International Atomic Energy Agency to aid in the prestige of the LAEA as a center for distribution of special nuclear materials, and the transfer of 8 additional kilograms of plutonium and 30 kilograms of uranium 233 to Euratom for research purposes and to help start an experimental plan for reprocessing fuel elements—Public Law 87–206.

Air Force promotions: Provided a temporary program through June 30, 1963, for promotion for all active duty Air Force officers below the grade of colonel—Public Law 87–194.

Reserves: Provides more flexible regulations regarding terms of enlistment in the National Guard to make service in that unit more attractive, and other changes include making ROTC graduate training program run from 3 to 6 months at the discretion of the service Secretary—Public Law 87–378.

WELFARE AND GENERAL GOVERNMENT AREAS
EDUCATION AND TRAINING

Aid to education: Enacted a $2,550 million 3-year Federal-aid-to-education program for school construction and increasing teachers salaries. (S. 1021.)

Impacted areas—NDEA extensions: Enacted bill which extends for 2 years, until June 30, 1963, Federal assistance to help build schools in districts burdened with substantial increases in their school memberships due to Federal activities, and authorizes an additional $20 million for this purpose. Also, extended for 2 years, until June 30, 1964, the provisions of the National Defense Education Act, passed in 1958, to stimulate a nationwide effort to strengthen instruction in science, mathematics, and modern foreign languages—Public Law 87–344.

College housing: Increased the loan authorization by $300 million for each of the 4 years beginning July 1, 1961, through 1964—Public Law 87–70.

Educational TV: Authorized Federal grants up to $1 million for any State to purchase TV transmission equipment for educational purposes, providing the State or sponsoring agency furnish the land, building, and guarantee to operate and maintain the channel. (S. 205—H.R. 132.)

Educational opportunities for migratory farm families: Authorized a 5-year program to aid in educating children of migratory workers. The Federal Government is to pay 100 percent of the program the first 2 years and the States and Federal Government will match costs for the next 3 years. (S. 1124.)

Freedmen's Hospital: Transfers Freedmen's Hospital to Howard University as its teaching hospital—Public Law 87–262.

Juvenile delinquency: Authorized a program of Federal grants to communities and nonprofit agencies of $10 million a year for 3 years to aid in financing projects to combat juvenile delinquency—Public Law 87–274.

Geodetic Survey: Improved and expanded the Coast and Geodetic Survey Act of 1948 to induce qualified scientists and mathematicians to join the service—Public Law 87–233.

Nurses scholarships: Extended for 4 years (to June 30, 1965), $5 million a year program for grants and scholarships for training of practical nurses under Vocational Education Act—Public Law 87–22.

Vocational teacher training: Authorized two 1-year programs of Federal grants for training teachers of the deaf, and advanced training of speech pathologists and audiologists—Public Law 87–276.

HEALTH AND SOCIAL PROBLEMS

Migratory health services: Authorized $3 million annually in Federal grants to public or nonprofit agencies and organizations for paying part of the cost of establishing and operating family health clinics and special health projects for domestic migratory farm families. (S. 1130.)

National Advisory Council on Migratory Labor: Established a 15-member Council to advise the President and Congress on the operation of Federal law, regulations, programs, policies, and all other matters relating to migratory agricultural labor to provide a better understanding of conditions, needs, and long-range solutions of this problem. (S. 1132.)

Public facility loans: Provided eligibility to Indian tribes for assistance under the public facility loan program, title II of the Housing Amendments of 1955. Under present law, eligibility for loans under the public facility loan program is limited to "municipalities and other political subdivisions and instrumentalities of States." This provision has been interpreted as not including Indian tribes which resulted not only in discrimination but an inconsistency since all tribes are eligible for low-rent public housing, housing for the elderly, and assistance under the Area Redevelopment Act. (S. 2454.)

Major disasters: Authorized assistance to be given by the Federal Government to Guam, American Samoa, and the Trust Territory of the Pacific Islands in case of a national disaster. (S. 1742.)

Community health services: Expanded and improved community health services and facilities for the health care of the aged, construction of nursing homes, and training of public health personnel—Public Law 87–395.

Mass transit: Authorized a new $75 million program to help overcome commuting problems in cities; $25 million is authorized for demonstration grants (covering up to two-thirds of project cost) for projects to explore ways of overcoming mass transit problems; $50 million is authorized for low-interest loans to public bodies for acquiring, constructing, and improving transportation facilities and equipment—Public Law 87–70.

RESOURCE BUILDUP

Saline water conversion program: Extended the saline water conversion program, enacted in 1952, from 1962 through 1967 and authorized a total appropriation of $75 million, but does not limit the annual appropriation to a pro rata share of the total amount—Public Law 87–295.

Air pollution: Extended air pollution control authorization to June 30, 1966, provided for public hearings, and authorized $5 million a year to finance the studies. (S. 455.)

Shoreline areas: Authorized the Department of Interior to study means and costs of acquiring and preserving 14 ocean, lake, and river shoreline areas appropriate for recreational parks. Authorized the Department of Agriculture to study appropriate shorelines within the Nation's 186 million acres of national forests. Each department is to report its findings and recommendations within 2 years. Authorized $400,000 for each survey and a grand total of $25 million of matching funds to assist the States in acquiring State shoreline areas. (S. 543.)

Wilderness bill: Established a national wilderness preservation system providing that any time within 10 years, the President may recommend to Congress the permanent inclusion within the wilderness system areas totaling approximately 54 million acres. (S. 174).

Point Reyes National Seashore: Authorized an appropriation of $14 million to acquire land to preserve, for public recreational purposes, Point Reyes National Seashore in California. (S. 476).

National fuels study: Approved a resolution authorizing the Senate Interior Committee to make an investigation and study of the current and prospective Government policies, to determine changes for an effective national fuels policy. Report of the findings to be submitted by January 31, 1961. (S. Res. 105.)

Oceanography: Established a national 10-year program of oceanographic and Great Lakes research to promote commerce and navigation, to secure the national defense, to expand ocean, coastal and Great Lakes resources and to enhance the public health and general welfare. (S. 901.)

Wabash River Commission: Established a Wabash Basin Interagency Water Resources Commission to coordinate Federal, State, and local plans for developing the water and land resources in the Wabash River Basin. (S. 811.)

Cape Cod Park: Established Cape Cod National Seashore Park to preserve for public enjoyment the scenic, scientific, and historic features of the cape—Public Law 87–126.

Migratory waterfowl conservation: Authorized a 7-year migratory waterfowl conservation program permitting advances to States to purchase necessary lands—Public Law 87–383.

CRIMINAL LAWS STRENGTHENED

Circuit judges: Created 73 additional U.S. district and circuit court judgeships to help ease the present workload and overcrowded court calendars—Public Law 87–36.

Tax Court judges' widows and dependent children: Provided a system of annuities for the surviving widows and dependent children of judges of the Tax Court of the United States—Public Law 87–370.

Judgment and compromise settlement: Provided for the swift payment of judgments and compromise settlements against the U.S. Government won by State and foreign claimants—Public Law 87–187.

Jury commissioners: For the first time since 1884, increased the fees of jury commissioners in the U.S. district courts from the present $5 to $10 per diem for each day employed in the performance of duties. (S. 1899).

Agency investigations: Prohibits obstruction of any lawful inquiry or investigation by the Department of Justice or Treasury and strengthens prohibitions against injuries to persons furnishing information in connection with the inquiry. (S. 1665.)

Gambling devices: Broadened the definition of gambling devices to cover additional types of machines manufactured for gambling purposes, and requires detailed records of all such devices shipped in interstate commerce. (S. 1658.)

Racketeering enterprises: Prohibits the use of the mail or any transportation in interstate or foreign commerce for the purpose of distributing the proceeds of any unlawful activities—business enterprises involving gambling, bootlegging, narcotics, etc.—Public Law 87–228.

Transmission of bets: Forbids the use of wire communications (telephone, telegraph, or any other means of interstate wire communications) for gamblin. Exempts information carried for use of the press and wireless communication—Public Law 87–216.

Wagering paraphernalia: Prohibits interstate transportation of wagering paraphernalia for bookmaking, wagering pools, numbers games, or similar games carried by means other than common carrier in the usual court of its business, but allows transportation of equipment from a State where it is manufactured into a State where parimutuel betting is legal—Public Law 87–218.

Felons: Extended Fugitive Felon Act to all felonies—Public Law 87–368.

Espionage: Extended laws against espionage and censorship to acts committed anywhere in the world—Public Law 87–369.

Tax stamps: Made it a Federal crime to transport fraudulent State tax stamps in interstate commerce—Public Law 87–371.

Plane hijacking: Made airplane hijacking a Federal crime subject to a possible death penalty—Public Law 87–197.

Aircraft claims: Authorized immediate payment of up to $1,000 to anyone who might suffer injury or personal damage as a result of an accident involving military aircraft or missiles—Public Law 87–212.

Supplemental air carriers: Provided a permanent place in the aviation industry for supplemental air carriers without adverse effect upon scheduled carriers. Provides that a carrier may request and be authorized to perform limited services supplemental to those furnished by the regular air carriers, and authorizes the Board to issue certificates of public convenience and necessity for supplemental service containing limitations on the type and extent of service authorized (S. 1969.)

REORGANIZATION AND GOVERNMENT AIDS

Government reorganization: Restored the authority of the President to submit plans for the reorganization of the Government—Public Law 87–18.

Civil Rights Commission: Extends the life of the Commission for 2 years, or until September 30, 1963—Public Law 87–264.

HEW: Authorized two additional Assistant Secretaries—one to handle international affairs, the second to handle medical and scientific matters. (S. 2073.)

Labor: Authorized an additional Assistant Secretary to perform functions relating primarily to the employment and effective utilization of women in our labor force—Public Law 87–137.

FTC reorganization: Provided for the reorganization of the Federal Trade Commission to expedite the present workload—plan No. 4. Effective July 9.

CAB reorganization: Authorized the reorganization of the Civil Aeronautics Board to provide greater flexibility and a more expeditious handling of CAB cases—plan No. 3. Effective July 3.

Maritime reorganization: Authorized reorganization of Maritime Board—plan No. 7. Effective August 12.

ICC: Authorized reorganization of Interstate Commerce Commission—Public Law 87–247.

FCC reorganization: Authorized FCC to delegate functions in adjudicatory cases to expedite and improve the administrative process—Public Law 87–192.

SEC reorganization: Authorized the Securities and Exchange Commission to delegate certain of its functions by published order or rule to a division of the Commission, an individual Commissioner, a hearing examiner, or an employee or employee board, and provides for appeals of such delegations—S. 2135.

SEC investigation: Authorized $750,000 for the Securities and Exchange Commission to conduct a special investigation of the adequacy of its rules, for the protection of the investor, governing stock exchanges and over-the-counter securities trading. SEC is to report its findings to Congress by January 3, 1963—Public Law 87–196.

Internal revenue employees: Appropriated funds for an additional 4,265 Internal Revenue Service employees—Public Law 87–159.

Alien employment: Removed the prohibition against Department of Commerce employing alien scientists and technicians in an effort to relieve a general shortage of personnel in scientific, engineering, and technical areas. (S. 2236.)

Travel expenses: Increased the allowances of Government employees for traveling expenses when on official business. Increases include from $10 to $16 per diem allowances and from 10 to 12 cents a mile by private automobile—Public Law 87–139.

Interstate commerce—Property destruction: Strengthened existing Federal law by making it unlawful to destroy, injure, set fire to, or otherwise damage goods moving in interstate or foreign commerce, break into or enter any railroad car, vessel, aircraft, truck, or other vehicle for such purpose—Public Law 87–221.

Rural carriers: Increased equipment allowance for rural mail carriers to 12 cents a mile. (S. 189).

Postal employees: Extended to employees in the postal field service the same salary-retention protection in cases of reduction in grade as provided under the Classification Act since 1956—Public Law 87–270.

Scientific and supergrades: Authorized an additional 480 supergrade positions and 280 additional scientific positions for the executive branch—Public Law 87–367.

NSLI special dividend: Authorized the payment of a special insurance dividend averaging from $100 to $150, for those veterans who have RS or W insurance. The RS insurance is entirely term insurance and the premium increases at the end of each 5-year period. The W insurance is both term and permanent, with the increased rate at the end of each 5-year period—Public Law 87–223.

ELECTIONS AND THE WHITE HOUSE

Federal election laws: Passed a clean-elections bill to strengthen our electoral system, provide more realistic ceilings on campaign expenses, make available at the State level information on campaign financing, and provides for a tax credit for political contributions to candidates for Federal office or to political committees acting for such candidates. (S. 2426.)

National conventions: The Senate adopted unanimously a resolution expressing as the sense of the Senate that the party conventions held every 4 years to nominate candidates for President and Vice President should not be commenced prior to the first Monday in September of the year in which the election is to be held. (S. Res. 141.)

District of Columbia elections: Implements the 23d amendment to the Constitution giving the residents of the District of Columbia the right to vote for President and Vice President; retains the voting age at 21 and provides for a 1-year residency requirement—Public Law 87–389.

White House: Established the White House as a national monument—Public Law 87–286.

STATUS OF MAJOR POINTS OF PRESIDENT'S LEGISLATIVE PROGRAM, 87TH CONGRESS, 1ST SESSION

ACTIONS COMPLETED

(Asterisk (*) denotes President Kennedy's original 16 points)

*1. Federal unemployment: Extended Federal unemployment compensation for additional 13 weeks—Public Law 87–6.

*2. Feed grains: Enacted an emergency feed grains program for the 1961 crop—Public Law 87–5.

*3. OECD: Ratified convention establishing Organization of Economic Cooperation Development—ratified March 16.

*4. Government reorganization: Reinstated the President's authority to reorganize the Government—Public Law 87–18.

*5. Distressed areas: Authorized $394 million distressed areas program—Public Law 87–27.

*6. Needy children: Authorized temporary program to permit States to aid needy unemployed parents and their children under Federal-State assistance program for 15 months to June 1, 1962—Public Law 87–21.

*7. Minimum wage: Extended coverage and increased minimum wage—Public Law 87–30.

*8. Judgeships: Provided for additional circuit and district judgeships—Public Law 87–35.

*9. Social security: Expanded social security benefits for an additional 4.4 million persons—Public Law 87–64.

*10. Travel service: Established International Travel Service in Commerce—Public Law 87–63.

*11. Community Facilities Act (H.R. 4998—Public Law 87-395).

12. Peace Corps (H.R. 7500—Public Law 87-293).

13. Disarmament Agency for World Peace—Public Law 87-297.

14. Agriculture Act of 1961—Public Law 87-128.

15. Foreign aid authorization—Public Law 87-195.

16. Railroad unemployment: Extended railroad unemployment compensation for an additional 13 weeks—Public Law 87-7.

17. Columbia River Basin: Ratified Columbia River Joint Development Treaty with Canada. Ratified March 16.

18. Sugar Act: Extended the Sugar Act of 1948, fixing quotas of domestic and foreign producers for 15 months to June 30, 1962; continued the President's authority to exclude Cuban sugar imports and reallocate its quota—Public Law 87-15.

19. Ready Reserves: Authorized recall of 250,000 ready reservists—Public Law 87-117.

20. Procurement: Authorized additional funds for aircraft, missile and naval vessels—Public Law 87-118.

21. Foreign tax treatment: Unified tax treatment on earning assets of foreign central banks—Public Law 87-29.

22. Food for peace: Authorized $2 billion increase in title I authority of Agricultural Trade Development Act to continue sale of surplus agriculture products for local currencies—Public Law 87-28.

23. Mass transportation: Increased Federal assistance to State and local governments—Public Law 87-70.

24. German bonds: Ratified German bond treaty. Ratified May 4.

25. Extradition treaty: Ratified extradition treaty with Brazil. Ratified May 16.

26. Loadline convention: Ratified loadline convention modification. Ratified May 16.

27. Oil pollution: Ratified oil pollution treaty. Ratified May 16.

28. Treaty of Friendship with Belgium: Ratified September 11.

29. Treaty of Amity With Republic of Vietnam: Ratified September 11.

30. Geneva Radio Regulation Convention: Ratified September 25.

31. International Telecommunications Convention: Ratified September 25.

32. Latin American aid: Appropriated $600 million for Latin American aid—Public Iaw 87-41.

33. Construction: Military construction authorization—Public Law 87-57.

34. Procurement: Military procurement authorization—Public Law 87-52.

35. Tax rates: Extension of existing corporate and excise tax rates—Public Law 87-72.

36. Highway Act: Amended Federal-Aid Highway Act raising $9.6 billion in additional revenues for the Federal-aid highway program and increasing by $11.5 billion the authorizations for interstate and defense highways for 1963-71—Public Law 87-61.

37. Housing: Enacted a $4.9 billion housing program expanding existing programs and new programs of assistance for moderate-low income families, and for the elderly—Public Law 87-70.

38. Public debt: Increased debt limit by $13 billion to $298 billion—Public Law 87-69.

39. CAB reorganization: Plan 3, reorganization of Civil Aeronautics Board authorizing the Board to delegate any of its functions to expedite adjudications and rulemaking proceedings. Effective July 3.

40. FTC reorganization: Plan 4, reorganization of Federal Trade Commission to delegate functions to expedite the work of the Commission. Effective July 9.

41. Maritime reorganization: Reorganization of Maritime functions. Effective August 12.

42. Supergrades and scientific positions increased—Public Law 87-367.

43. VA direct loans: Extended direct and guaranteed home loans programs for World War II veterans to July 26, 1967; and for Korean veterans to Februray 1, 1975; authorized an additional $1.2 billion for direct loans programs through fiscal 1967—Public Law 87-84.

44. NASA: Authorized Vice President to head Space Council—Public Law 87-26.

45. Cape Cod: Authorized additional seashore recreational areas—Public Law 87-126.

46. College housing: Authorized $300 million annual 4-year program—Public Law 87-70.

47. Labor: Authorized one additional Assistant Secretary—Public Law 87-137.

48. FCC: Reorganization—Public Law 87-192.

49. ICC: Reorganization—Public Law 87-247.

50. AEC: Authorization—Public Law 87-315.

51. Saline water: Extended and expanded the program—Public Law 87-295.

52. Juvenile delinquency—Public Law 87-274.

53. Civil Rights Commission: 2-year extension—Public Law 87-264.

54. Small Business Act Amendments—Public Law 87-198, Public Law 87-305.

55. Aid to airports—Public Law 87-255.

56. Strengthen anticrime—Public Laws 197, 216, 218, 228.

57. Impacted areas: NDEA, 2-year extension—Public Law 87-344.

58. Delaware River compact: Partial enactment of Water Resources Planning Act—Public Law 87-328.

59. District of Columbia elections—Public Law 87-389.

60. Appropriations:

Third supplemental, 1961—Public Law 87-14.

Fourth supplemental, 1961—Public Law 87-74.

Agriculture, 1962—Public Law 87-112.

General Government matters, 1962—Public Law 87-125.

Interior, 1962—Public Law 87-122.

Legislative, 1962—Public Law 87-130.

Independent offices, 1962—Public Law 87-141.

Defense, 1962—Public Law 87-144.

Treasury-Post Office, 1962—Public Law 87-159.

Labor-HEW—Public Law 87-290.

Military construction—Public Law 87-302.

State-Justice-judiciary—Public Law 87-264.

District of Columbia appropriations—Public Law 87-265.

Foreign aid—Public Law 87-329.

Public works, Public Law 87-330.

Supplemental—Public Law 87-332.

PASSED SENATE

*61. Battle Act: Revision of Battle Act (S. 1215). Passed May 11.

*62. Education: Overall aid to education (S. 1021). Passed May 25. House delayed further action to next year.

63. Office space: Create a Commission on Presidential Office Space (S. 51). Passed July 7.

64. HEW: Authorized two additional Assistance Secretaries (S. 2073). Passed July 27.

65. Oceanography: Ten-year oceanography program (S. 901). Passed July 28.

66. Manpower training (S. 1991): Passed August 23 (H.R. 8399). House Calendar.

67. Shorelines (S. 543): Passed August 28.

68. SEC: Reorganization (S. 2135): Passed September 1.

69. Wilderness bill (S. 174): Passed September 6.

70. Air pollution control study: Extended to June 30, 1966 (S. 455). Passed September 20.

71. Educational TV (S. 205): Passed March 21. (H.R. 132, House companion on House Calendar.)

72. Commerce: Additional Assistant Secretary (S. 1456). Passed May 26—H.R. 6360, House companion on House Calendar.

IN CONFERENCE

73. Refugee resettlement (H.R. 8291).

74. Compensation: Increased rates for disabled service-connected veterans (H.R. 856).

HOUSE CALENDAR

75. Postal rates: Increase (H.R. 7927).

PASSED HOUSE

76. Conflicts of interest (H.R. 8140): Passed August 7.

COMMITTEE ACTION

77. Water Resources Planning Act (S. 2246, H.R. 8177). Hearings concluded August 16. (H.J. Res. 225, Delaware River Compact, partial enactment of this request.)

78. Constitutional amendment outlawing poll tax (S.J. Res. 81, H.J. Res. 404): Senate and House held hearings.

ACTION POSTPONED UNTIL NEXT YEAR

*79. Aid to medical education and research (S. 1072): Senate Labor has completed hearings but the House committee did not take any action.

*80. Aged: Health care for aged (S. 909, H.R. 4222). House must act first.

81. Tax revisions: House Ways and Means concluded hearings. House must act first.

82. Department of Urban Affairs (S. 1633): Senate Calendar.

83. Youth Corps: Youth employment opportunities and Youth Corps (S. 404). Senate Calendar.

84. Pension Plans Disclosures Act Amendments (S. 2520): Senate Calendar. (H.R. 8723, House failed to suspend rules, 245–161, so Senate action was postponed to next year.)

***85. Higher education (S. 1241): Senate Calendar. Action postponed, however, due to the fact that the Rules Committee of the House killed the House bill.**

Summary of legislative record

SENATE ACTIVITY

	82d 1st	83d 1st	84th 1st	85th 1st	86th 1st	87th 1st
	Jan. 3–Oct. 20	Jan. 3–Aug. 3	Jan. 3–Aug. 2	Jan. 3–Aug. 30	Jan. 7–Sept. 15	Jan. 3–Sept. 27
Days in session	172	125	105	133	140	146
Hours in session	996:46	763:35	559:41	860:44	1009:48	1005.00
Total measures passed by Senate	1,060	848	1,325	1,210	1,052	1,133
Senate bills	411	342	574	612	434	459
House bills	429	320	566	346	375	433
Senate joint resolutions	14	22	22	22	21	25
House joint resolutions	29	21	20	54	32	27
Senate concurrent resolutions	23	25	25	24	34	23
House concurrent resolutions	19	14	21	28	24	23
Senate resolutions	135	104	97	124	132	143
Public laws	255	288	390	316	383	401
Confirmations	26,069	23,420	39,897	44,620	43,567	48,962

DIGEST OF LEGISLATION PASSED BY THE U.S. SENATE

AGRICULTURE

Agriculture Act of 1961

S. 1643: Public Law 87–128, approved August 9, 1961:

This measure, as enacted into law, extends numerous important agricultural programs such as the Great Plains conservation program, the Wool Act, and Public Law 480; it contains wheat and feed grain programs for 1962; consolidated and simplified the agricultural credit laws administered by the Farmers Home Administration; and provided for advisory consultations with farmers in developing future agricultural programs.

The major provisions are:

TITLE I—SUPPLY ADJUSTMENT AND PRICE STABILIZATION

1. Consultation on agricultural programs: Authorized the Secretary of Agriculture to consult with farmers, farm or commodity organizations, and other interested groups in developing new or revising existing agricultural programs involving supply adjustments or marketing regulations through marketing orders, quotas, or price supports. The advisory recommendations accepted would be incorporated in proposals to be submitted to Congress.

2. 1962 wheat program: Required, as a condition for price supports, a mandatory 10-percent cut in wheat acreage allotments, with a 45-percent payment in cash or kind for diverting the 10-percent cut to soil conserving uses. Authorized an additional voluntary 30-percent diversion with payments in cash or kind of 60 percent. Any producer can divert up to the larger of (1) 40 percent of his allotment or (2) the smaller of 10 acres or the highest planted acreage of wheat in 1959, 1960, or 1961, whichever is greater. Permits advances of 50 percent to any participating producer.

Increased the farm marketing excess (the amount subject to penalty) and increased the penalty from 45 percent to 65 percent of parity.

Reduced the 15-acre exemption to 13½ acres, or the highest acreage planted for harvest in 1959, 1960, or 1961, whichever is smaller.

Repealed permanently the 200-bushel exemption from marketing quotas.

Authorized the Secretary to increase Durum wheat acreage allotments if necessary to meet demand requirements—3-year program beginning with 1962.

3. Feed grain program: Required, as a condition of eligibility for price support, that the producer divert 20 percent of his corn, grain sorghum, or barley acreage to conserving uses in return for a 50-percent payment in cash or kind.

Authorized an additional 20-percent reduction in corn, grain sorghum, or barley acreage, with a 60-percent in-kind payment.

Authorized the producers to plant castor beans, safflower, sunflower, sesame, or guar beans on diverted acreage in lieu of payment.

Provided exemption of malting barley from the feed grain diversion program up to 110 percent of their average 1959–60 barley acreage.

Permitted the Secretary to limit participation in the feed grain program for 1962 if he determines such was necessary because of an emergency created by a drought or other disaster or to prevent or alleviate a shortage in the commodity.

4. Marketing orders: Expands eligibility list for marketing orders to include cherries or cranberries for canning or freezing; lambs, turkeys, peanuts (but no peanut products), apples produced in Michigan, New York, New England, Maryland, New Jersey, Indiana, and California; and all other commodities not now covered except honey, cotton, rice, wheat, corn, grain sorghum, oats, barley, rye, sugarcane, sugarbeets, wool, mohair, livestock, soybeans, cottonseed, flaxseed, poultry (other than turkeys), eggs (other than turkey hatching eggs), fruits and vegetables for canning or freezing (other than those specifically covered), and apples (other than those specifically covered).

Prohibits the importation of oranges, onions, walnuts, and dates (other than dates for processing) which do not meet the grade, size, quality, or maturity requirements of orders applicable to the domestic commodities. At present, this restriction applies only to tomatoes, avocados, mangoes, limes, grapefruit, green peppers, Irish potatoes, cucumbers, and eggplants.

5. Wool Act: Extended the National Wool Act for 4 years through March 31, 1966.

TITLE II—AGRICULTURAL TRADE DEVELOPMENT

Extended Public Law 480, the Agricultural Trade Development Act, through December 31, 1964—a 3-year extension.

Provided title I authority of $4.5 billion for 3 years, 1962 through 1964, with a limit of $2.5 billion in any one year (oversea surplus commodity sales).

Authorized the use of foreign currencies for dollar sales to American tourists.

Required 5 percent of the proceeds of title I sales in each year to be set aside in amounts and kinds of foreign currencies specified by the Secretary of Agriculture for agricultural market development and required such amount of sale and loan proceeds as the Secretary determines necessary, but not less than 2 percent, to be convertible into currencies of other foreign nations for market development activities in countries which are or may become dollar markets.

Continued present limitation of $300 million, plus carryovers, in surplus commodities for emergency disaster relief abroad and economic development (title II).

TITLE III—AGRICULTURAL CREDIT

Consolidated and simplified the authorities administered by the Farmers Home Administration for real estate, operating, emergency, and water facilities' loans.

Provided a $60,000 indebtedness limit on Farmers Home Administration farm real estate loans.

Limited indebtedness of associations for soil and water conservation loans to $500,000 in direct loans, and $1 million in insured loans.

Provided for a $35,000 indebtedness limit on operating loans.

Authorized loans to soil conservation districts for purchase of conservation equipment.

Authorized emergency loans in areas suffering from natural disaster.

TITLE IV—GENERAL

Extended the period for making Great Plains conservation program contracts to December 31, 1971.

Extended school milk program through June 30, 1967, to be paid by direct appropriations.

Extended Veterans' Administration and armed services milk program through December 31, 1964.

Agricultural trade—authorization increases

S. 1027: Public Law 87–28, approved May 4, 1961:

Authorizes a $2 billion increase in title I authority of Public Law 480, making a total of $3.5 billion, plus any unused authority carried over from 1960.

Title authorizes the President to enter into agreements with friendly nations or organizations of friendly nations to provide for the sale of surplus agricultural commodities for foreign currencies, which are then used for a number of purposes for the benefit of the United States and the purchasing country.

The total authorization available for calendar year 1961 was $1.5 billion, plus $335 million, carried over from calendar year 1960, which had been committed.

Agricultural trade development—Title II extension

S. 1720: Public Law 87–92, approved July 20, 1961:

This measure continues the authority contained in title II of Public Law 480, by repealing section 601(a)(2) of the Mutual Security Act of 1960, which limited to June 30, 1961, the authority of the administration to continue and expand the use of our agricultural abundance in helping needy people in the less developed countries through development programs which are not feasible under title I of Public Law 480.

Under title II, food can be used or payment of wages-in-kind for labor intensive projects such as soil conservation dams, irrigation, and drainage canals, wells, roads, and other similar activities, which will relieve hunger and unemployment and, at the same time, contribute to the economic development of the recipient country.

Amendments to farm credit laws

S. 1927: Public Law 87–343, approved October 3, 1961:

Amends the farm credit laws: (1) Permits installment payments on Federal credit banks to be scheduled more frequently than

semiannually if desirable to the borrower because of his income pattern. (2) Permits loans to be made to corporations, set up by farming families; now loans can be extended only to "persons." (3) Extends from 5 to 7 years the permissible maturity of intermediate-term loans. (4) Requires in applying the earnings at the end of each fiscal year that one-half of 1 percent of the loans outstanding be held in reserve up to the accumulation of 3½ percent of the outstanding loans; any more that might be contributed past the 3½ percent would be accepted. (5) Combines the revolving funds of the production credit association, which hasn't a demand for all its funds, and the intermediate credit bank, which has need for more funds. (6) Provides for the liquidation of any assets of any cooperative association in a bank when that cooperative might disband.

Animal quarantine

S. 860: Passed Senate July 25, 1961. Pending in House Agriculture Committee:

In order to strengthen the animal quarantine laws and close a number of gaps and loopholes, this measure increases seizure authority of the Department of Agriculture; clarifies the Department's authority to restrict imports; increases authority for inspection and for sanitary regulations; and provides for injunctive authority.

Cotton farmers

H.R. 7030—Public Law 87–37, approved May 20, 1961:

An emergency measure to bring relief to cotton farmers whose land has been unplantable because of recent floods, or whose plantings have been washed out. Thousands of acres of cotton land are under water or are so wet that farmers cannot plant them. Thus, this bill will permit those farmers to transfer their acreage allotment to another farm within the county or in an adjoining county where they can plant on higher ground.

Disaster area lands

S. 2113—Public Law 87–62, approved June 29, 1961:

Authorizes the Department of Agriculture, for a 1-year period following enactment, to permit hay to be harvested from conservation reserve acreage where necessary to alleviate hardship caused by drought or other natural disaster. To be eligible for such relief, the Governor of the State must certify and the Secretary of Agriculture must determine the need.

Drought relief

S. 2197: Public Law 87–127, approved August 7, 1961:

To relieve the drought stricken farmer, Congress enacted a 1-year emergency program authorizing sale of Government surplus corn and feed grains to needy farmers and ranchers in drought areas at 75 percent of Government price support levels.

The act also permits grazing of livestock on grasslands idled by the soil bank and other conservation programs, or moving of hay on these lands in or near drought areas.

Emergency feed for wildlife

S. 614: Public Law 87–152, approved August 17, 1961:

Authorizes the use of surplus grain (from CCC) by the States for emergency use (to prevent starvation) in feeding resident game birds and other wildlife.

Farm operating loans

H.R. 1822: Public Law 87–8, approved March 29, 1961:

To help meet the rapidly and substantially increased cost of farming, this measure amends the Bankhead-Jones Farm Tenant Act to provide a 15-percent increase in the amount of funds which may be used for making operating loans to borrowers whose operating loan indebtedness exceeds $10,000. The present ceiling of 10 percent was exhausted by March 1 of this year.

Feed grains program

H.R. 4510: Public Law 87–5, approved March 22, 1961:

By an overwhelming majority, the Congress passed a 1-year emergency price support for the 1961 crop of corn at $1.20 per bushel with the other feed grains to be supported at fair and reasonable levels in relation to corn; support to be conditioned on retirement of 20 percent of feed grain producing acreage.

The primary purposes of the measure are to raise incomes of feed grain producers and to reduce the mounting surpluses of feed grains in Government hands.

In order to receive the $1.20 price support provided by the bill, the producer must retire 20 percent of his feed grain producing acreage. If he chooses to do so, he may retire an additional 20 percent. Payment for the first 20-percent acreage reduction will be in cash or kind; payment for the additional 20-percent reduction will be in kind. The level of payment for the first 20-percent retirement will be based on 50 percent of what he might have grown on the retired acreage; for the second 20 percent, on 60 percent of what he might have grown on the additional acreage retired.

In lieu of the unlimited authority, given the Secretary by the House bill, to dispose of grain in Government stocks at less than market prices, the conference report provides that payments in kind are to be made in negotiable certificates created under the payment-in-kind program. Other Government stocks moving into the market will continue to be subject to existing law, which provides for sale at not less than 105 percent of the support price, plus carrying charges.

It is anticipated that the program, with at least 70 percent participation, will result in the production of from 500 to 700 million bushels less than were produced last year. Government storage facilities are now severely taxed to provide for existing surpluses. The current program provides supports of about $1.05 per bushel, with no acreage retirement condition.

Hog cholera—eradication

S. 1908: Public Law 87–209, approved September 6, 1961:

Establishes a national hog cholera eradication program under the direction of the Secretary of Agriculture to restrict the interstate movement of hog cholera virus. Also directs the Secretary to establish an advisory committee of 12 members with a member of the Department as chairman. The committee will help determine the plans of the eradication program and help carry out the program.

Livestock loans—temporary

S. 1710: Public Law 87–106, approved July 26, 1961:

Extends temporarily until December 31, 1961, the authorization of the Secretary of Agriculture to make emergency loans to established livestock owners who, due to drought, increased production costs, and lowered prices for their products, are forced to seek assistance. The authorization is due to expire July 14, 1961. It is included in the administration's agriculture bill (S. 1643) but due to the fact that this bill has not yet been acted upon the Secretary of Agriculture feels this measure important enough for action as a separate bill to cover the existing emergency until the omnibus bill is completed.

Mexican farm labor program

H.R. 2010: Public Law 87–345, approved October 3, 1961:

Extended the Mexican farm labor program for 2 years until December 31, 1963, and amended the act to (1) require that employers reimburse the United States up to $15 maximum for essential expenses of the program, except salaries and expenses of personnel engaged in compliance activities; (2) prohibit Mexican workers from being made available in any area unless reasonable efforts have been made to attract domestic workers at wages, standard hours of work, and working conditions comparable to those offered to foreign workers; (3) prohibit any employer of Mexican labor from using these workers in other than temporary or seasonal occupations and from operating or maintaining power-driven, self-propelled harvesting, planting or cultivating machinery, except in specific cases to avoid undue hardship; (4) prohibit Mexican workers from engaging in some processing activities.

Perishable agricultural commodities—Amendments

S. 1037: Passed Senate September 1, 1961. Pending in House Agriculture Committee:

This measure amends the Perishable Agricultural Commodities Act to:

Improve and clarify provisions dealing with the eligibility for license, or for employment by licensees, of persons guilty of specified acts and persons affiliated with them;

Authorize an increase in license fees from $25 a year to a rate not to exceed $50, except retail dealers and brokers of frozen fruit and vegetables may not be increased beyond the $25;

Eliminate the Export Apple and Pear Act from the acts administered with license fees received under the Perishable Agricultural Commodities Act; and authorize appropriations to carry out the Export Apple and Pear Act;

Regulate the use of trade names by licensees to prevent deception;

Provide that opportunity for an oral hearing need not be provided in reparation cases unless the amount in dispute exceeds $1,500, instead of $500;

Make it clear that in an appeal from a reparation order, bond must be filed within 30 days after entry of the order and require that the bond be in cash, negotiable securities, or the undertaking of a recognized surety company; and

Defer license suspension in case of appeal until all judicial appeals have ended.

Special milk program—Extension

S. 146: Public Law 87–67, approved June 30, 1961:

This bill extends the special milk program for children 1 year until June 30, 1962, and authorizes $105 million of Commodity Credit Corporation funds to carry out the program.

The program, which has been in effect since 1954, authorizes the Department to reimburse schools participating in the school lunch program at the rate of 4 cents per half pint in excess of the half pint provided in the lunch. Other schools are reimbursed at the rate of 3 cents per half pint, and child care institutions at the rate of 2 cents per half pint. At present there are about 85,500 schools and other institutions participating in the program.

Sugar Act extension

H.R. 5463: Public Law 87–15, approved March 31, 1961:

This measure continues the President's authority to establish the sugar quota for Cuba through June 30, 1962, at a level found to be in the national interest but, in no event, in excess of the Cuban quota under the basic quota system of the Sugar Act.

It gives special consideration to Western Hemisphere countries and to those countries purchasing U.S. agricultural commodities when additional purchases are made from foreign nations without regard to allocations.

The President's authority is continued to obtain refined sugar if raw sugar is not reasonably available.

If the President sets the Cuban quota at less than its basic quota, the amount of the reductions are to be distributed as follows:

(1) An amount equivalent to Cuba's share in any domestic area production deficit may be assigned exclusively to other domestic areas; and then

(2) To five nations whose quotas have been between 3,000 and 10,000 tons, a sufficient quantity of sugar to bring each up to 10,000 tons These nations are Costa Rica, Haiti, Panama, the Netherlands, and Nationalist China; and then

(3) To the Republic of the Philippines 15 percent of the remainder; and then

(4) To other countries having quotas under the act (except those five nations mentioned in (2) above) the remaining 85 percent in amounts prorated according to the basic quotas established by the act, "except that any amounts which would be purchased from any country with which the United States is not in diplomatic relations need not be purchased"; and then

(5) If additional amounts of sugar are needed, purchases may be made from any other foreign nation without regard to allocations, but with consideration given to countries of the Western Hempisphere and to those countries purchasing U.S. agricultural commodities.

Surplus food—College home economics

S. 1873: Public Law 87–179, approved August 30, 1961:

Amends the act which permits surplus agricultural and dairy products to be supplied to certain authorized high schools for use in home economics classes. It proposes that this authorization be extended to college students if they also use the same facilities and instructors that are now in use in the high schools.

Tobacco allotments—Transfers

H.R. 1022: Public Law 87–200, approved September 6, 1961:

Permits tobacco farmers who have agreed to limit their production to lease or transfer up to 5 acres of land for 1-year periods, during 1962 and 1963, to another farmer who produces the same kind of tobacco. Farmers having small allotments find that in some years planting would be uneconomical. The crop produced from the leased lands would be considered as coming from the farm from which the allotment is transferred.

APPROPRIATIONS

Table of appropriation bills, 87th Cong., 1st sess., including indefinites

Bill No.	Title	Budget estimates	Amount as passed		Final action, amount as approved	Increase or decrease compared to budget estimates	Public laws
			House	Senate			
	1961 SUPPLEMENTALS						
H.R. 5188	3d supplemental	$5,275,213,127	$803,506,119	$4,637,419,970	$1,694,055,637	−$3,581,157,490	87–14
H.R. 6518	Inter-American program	600,000,000	600,000,000	600,000,000	600,000,000		87–41
H.R. 7712	4th supplemental	88,024,000	47,214,000	47,214,000	47,214,000	−40,810,000	87–74
	Total, 1961 supplementals	5,963,237,127	1,450,720,119	5,284,633,970	2,341,269,637	−3,621,967,490	
	1962 APPROPRIATIONS						
H.R. 5954	Treasury-Post Office	5,371,801,000	5,281,865,000	5,327,631,000	5,298,765,000	−73,036,000	87–159
H.R. 6345	Interior	782,387,000	753,319,000	813,399,850	779,158,650	−3,228,350	87,122
H.R. 7035	Labor-HEW	5,004,281,081	4,327,457,000	5,161,380,000	4,915,965,000	−88,316,081	87–290
H.R. 7208	Legislative	136,082,802	104,353,335	135,432,065	135,432,065	−650,737	87–130
H.R. 7371	State, Justice, Judiciary	795,891,202	751,300,050	762,038,550	756,422,550	−39,468,652	87–264
H.R. 7444	Agriculture	6,089,244,000	5,948,466,000	5,967,457,500	5,967,494,500	−121,749,500	87–112
	Loan authorizations	(612,000,000)	(629,900,000)	(725,500,000)	(725,500,000)	(+113,500,000)	
H.R. 7445	Independent offices	9,174,561,000	8,404,098,000	9,098,769,500	8,966,285,000	−208,276,000	87–141
H.R. 7577	General Government-Commerce	666,278,000	626,958,000	650,438,200	641,135,800	−25,142,200	87–125
H.R. 7851	Defense	46,396,945,000	42,711,105,000	46,848,292,000	46,662,556,000	+265,611,000	87–144
H.R. 8072	District of Columbia	(292,827,398)	(268,122,400)	(270,438,360)	(270,067,897)	−(22,759,501)	87–265
	Loan authorization	(24,600,000)	(29,000,000)	(29,000,000)	(29,000,000)	(+4,400,000)	
	Federal payment	39,753,000	32,753,000	32,753,000	32,753,000	−7,000,000	
H.R. 8302	Military construction	1,047,568,000	883,359,000	1,020,146,750	951,690,750	−95,877,250	87–302
H.R. 9033	Foreign assistance	4,993,991,000	3,835,245,000	4,416,091,000	4,123,345,000	−870,646,000	87–329
H.R. 9076	Public works	4,000,788,000	3,662,701,380	3,940,926,880	3,908,880,980	−91,907,020	87–330
H.R. 9169	Supplemental	1,134,639,841	573,040,923	1,068,503,903	1,125,333,341	−9,306,500	87–332
	Total, 1962 appropriations	85,634,210,926	77,896,020,688	85,243,260,198	84,265,217,636	−1,368,993,290	
	Total, all appropriations	91,597,448,053	79,346,740,807	90,527,894,168	86,606,487,273	−4,990,960,780	
	Total, loan authorizations	636,600,000	658,900,000	754,500,000	754,500,000	+117,900,000	

AVIATION

Aircraft accident claims

H.R. 7934: Public Law 87–212, approved September 8, 1961:

Authorizes immediate payment of not more than $1,000 to anyone who might suffer injury or personal damages as a result of an accident involving military aircraft or missiles. As a result of such accidents there may be urgent need to, for example, buy food and secure lodgings. Payments that might be made are not admission by the Government of liability; however, accidents involving missiles or aircraft are usually a clear case of liability.

Crimes on aircraft

S. 2268: Public Law 87–197, approved September 5, 1961:

This bill is designed to combat recent aircraft hijacking by applying Federal criminal law to crimes committed on aircraft in air commerce. These incidents have focused attention on the need for additional laws covering such crimes. There are Federal laws as well as State laws which are now applicable in many instances; however, few specifically meet the unique problems including the venue problem, which arise while aircraft are in flight. This measure fills the gaps by making criminal certain acts of violence which, if committed within the special maritime and territorial jurisdiction of the United States, would be crimes as defined by sections 113, 114, 111–13, 1363, or 2111 of title 18, United States Code, if committed on board an aircraft in flight in air commerce. Included are varying degrees of murder, manslaughter, attempt to commit murder or manslaughter, malicious destruction of property, and robbery.

Any person who obtains or attempts to obtain control of an aircraft by unlawful force or threat of force will be subject to a fine of not more than $10,000 or imprisoned for not more than 20 years, or both. If the act was committed with the use of a dangerous weapon, imprisonment may be for life but not less than 20 years, or by death if the jury so directs. One who assaults, intimidates, or threatens to interfere with a flight crew member in a way as to interfere with his duties to safely operate the aircraft will be subject to a fine of up to $10,000 or imprisonment for not more than 20 years, or both. If a deadly or dangerous weapon is used, the penalty may be imprisonment for life but not less than 20 years.

An act which constitutes the crime of piracy if committed aboard a vessel on the high seas will constitute a crime if committed aboard an aircraft in flight in air commerce, punishable by imprisonment for life or for not less than 20 years, or by death if the jury so directs. This amendment to the Federal Aviation Act defines aircraft piracy to mean any seizure or exercise of control by force or violence or threat of force or violence, and with wrongful intent, of an aircraft in flight in air commerce.

To knowingly impart or convey false information concerning an attempt or alleged attempt to unlawfully obtain control of an aircraft, to interfere with a flight crew member, or to commit piracy will be subject to a fine up to $1,000 or imprisonment up to 1 year, or both.

With the exception of any municipal, county, or State government, or the Federal Government, and others who may be authorized under appropriate regulations issued by the Federal Aviation Agency, any person who, while aboard an aircraft operated by an air carrier in air transportation, carries on or about his person a concealed deadly or dangerous weapon or attempts to board an aircraft with such a weapon will be subject to a fine of up to $5,000 and imprisonment up to 5 years, or both.

All violations mentioned above will be subject to investigation by the FBI.

Venue: The trial of any offense under this act will be in the district in which the offense is committed; or, if the offense is committed out of the jurisdiction of any particular State or district, the trial will be in the district where the offender, or any one of two or more joint offenders, is arrested or is first brought. If the offender or offenders are not arrested or brought into any district, an indictment or information may

be filed in the district of the last known residence of the offender or of any one of two or more joint offenders, or if no residence is known the indictment or information may be filed in the District of Columbia. Whenever the offense is begun in one jurisdiction and completed in another, or committed in more than one jurisdiction, it may be dealt with, inquired of, tried, determined, and punished in any jurisdiction in which the offense was begun, continued, or completed, in the same manner as if the offense had been actually and wholly committed therein.

The Administrator of FAA can authorize any air carrier to refuse transportation to a passenger or to transport property when, in the opinion of the carrier, it might prove inimical to safety in flight.

Federal Airport Act extension

H.R. 8102: Public Law 87-255, approved September 20, 1961:

Extends the Federal Airport Act for 3 years, to June 30, 1964, and authorizes a total of $225 million, with $75 million to become available for obligation each year.

Earmarks $7 million a year for the development of airports, to provide separate facilities for general aviation and thus relieve congestion at airports. Federal participation in constructing terminal buildings is restricted to costs directly related to the safety of persons at the airport.

Prohibits the approval of any project which does not include provision for installing certain specified landing aids such as high-intensity runway lighting as determined by the Administrator to be required for safe and efficient handling of traffic at the particular airport. Increased the Federal share of the installation of such aids from 50 percent to a maximum of 75 percent.

Provides that funds allocated to a State under the apportionment formula which are not obligated within 2 fiscal years shall become available for use in any State, at the discretion of the Administrator.

Requires publication by January 1 each year of the proposed program for airport development during the next fiscal year.

Amends the Federal Aviation Act to authorize various departments of the Federal Government to pay for space in public airports necessary in the performance of their duties.

Meteorology research

S. 681: Passed Senate Februray 16, 1961; returned to Senate February 23, 1961—Reconsideration motion pending:

This measure is designed to remove any doubt as to the Weather Bureau's existing authority to enter into research contracts for other than air navigational problems with public and private agencies (such as universities), thus permitting research contracts in all areas of meteorological science.

The specific authority under section 3 of the Federal Aviation Act authorizing the Weather Bureau to enter into these contracts has, upon occasion, been strictly construed as requiring a direct relationship to aeronautics and, though most of them do, this relationship is not always apparent; consequently, statutory questions have arisen. Thus, this measure clarifies the Bureau's authority to take advantage of highly specialized research facilities such as those found in universities.

In addition, this measure, at the discretion of the Chief of Bureau, authorizes the use of public funds for telephone services in private residences in isolated areas to carry into effect the basic enabling laws authorizing collection and distribution of information on weather conditions throughout the United States. In these semi-isolated or isolated locations, the Weather Bureau field facilities are not open on a 24-hour basis thus there must be some other means of contacting these isolated employees so they can post and disseminate storm warnings and other urgent information to the public.

Naval aviation—Golden anniversary

House Joint Resolution 398: Public Law 87-43, approved May 27, 1961:

In commemorating the 50th anniversary of naval aviation, to be celebrated June 6 through June 11, 1961, in Pensacola, Fla., this resolution authorizes the Secretary of Treasury to design and manufacture a galvano, for use as a plaque, to be presented to the Secretary of the Navy on this occasion.

Naval aviation has significantly contributed to the defense of the United States and through its training programs for friendly governments has contributed to the defense of the free world. This celebration will contribute greatly to the educational and cultural welfare and to the defense of the people of the United States by highlighting the great traditions of naval aviation.

Presentation to Maj. Gen. Benjamin D. Foulois, retired

Senate Joint Resolution 108—Passed Senate August 21, 1961. Pending in House Armed Services Committee:

Presents the Distinguished Flying Cross to Major General Foulois, U.S. Air Force, retired. He was in charge of the first airplane owned and used by the Army, commanded the first aero squadron to Mexico in 1915, served as Chief of the Air Service of the American Expeditionary Forces in France in World War I and was Chief of the Air Corps from 1931 until his retirement in 1935

Special meteorological services

S. 680—Passed Senate June 29, 1951. Pending in House Interstate and Foreign Committee:

This bill authorizes the Secretary of Commerce to conduct certain meteorological services in cooperation with or at the request of States, counties, cities, or other local government units, private organizations, or individuals. Authority is granted for the Secretary to receive payment of the cost of such work or services, in whole or in part, from the government units, private organizations, or individuals in whose behalf the work or study was made. Such payments may be in funds or property or both. Requires that all funds received are to be deposited in a separate account in the Treasury for use in paying the costs of such work or services, for making refunds, or for crediting appropriations from which the cost of such work or service may have been paid.

Although the bill authorizes payment for the work or service, whether or not it is required is discretionary with the Secretary.

Supplemental air carriers

S. 1969: Passed Senate August 28, 1961. Passed House amended September 18, 1961:

This measure provides a permanent place in the aviation industry for supplemental air carriers without adverse effect upon scheduled carriers. It provides that a carrier may request and be authorized to perform limited services supplemental to those furnished by the regular air carriers, and authorizes the Board to issue certificates of public convenience and necessity for supplemental service containing limitations on the type and extent of service authorized. The bill would:

Grant statutory interim operating rights, in the nature of temporary "grandfather" rights, to existing holders of supplemental air carrier certificates who have performed a portion of the service authorized by their present certificates.

Make clear that a supplemental certificate is primarily a certificate for charter service and provide that the Board may, when the public convenience and necessity require, also authorize individually ticketed service.

Make clear that supplemental air carriers are not eligible for subsidy payments.

Permit the Board to issue a special operating authorization for temporary service between particular points during periods when regular service is inadequate.

Permit the Board to impose civil penalties for violations of title IV of the act relating to economic regulations.

Amend the Federal Aviation Act to provide for a statutory definition of charter service.

Make clear that a regularly certificated carrier cannot also be certificated as a supplemental carrier.

Enable the Board to make a determination of fitness based upon considerations peculiar to the type of supplemental transportation for which authority is sought.

This legislation was requested by the Civil Aeronautics Board as a result of the decision of the U.S. Court of Appeals for the District against Civil Aeronautics Board, which determined that the Board lacked authority under existing law to issue limited certificates.

War risk insurance extension

S. 1931: Public Law 87-89, approved July 20, 1961:

Extends for 5 years until 1966 title XIII of the Federal Aviation Act of 1958, which provides that in the event of war the Nation's civil air fleet would have adequate insurance coverage for war risks. Commercial aviation war risk policies are issued with automatic termination clauses in the event of outbreak of a major war.

Wright Brothers Day

House Joint Resolution 109: Public Law 87-291, approved September 22, 1961:

Gives the President the authority to designate December 17 of each year as Wright Brothers Day in commemoration of the first successful airplane flight by Orville and Wilbur Wright on December 17, 1903.

COMMUNICATIONS

American Samoa radio licenses

S. 1589: Passed Senate July 25, 1961. Pending in House Interstate and Foreign Commerce Committee:

This bill authorizes the Federal Communications Commission to issue radio operator licenses to natives of American Samoa who are nationals of the United States and owe allegiance to it, but to whom full citizenship has not been extended.

Under existing law the FCC may issue radio operator licenses only to citizens of the United States and in certain cases to foreign nationals in the field of aviation.

Communication facilities—protection

S. 1990: Public Law 87-306, approved September 26, 1961:

Amends section 1362 of title 18 of the United States Code as a further protection of the internal security of the United States by providing penalties for malicious damage to certain communication facilities.

The amendment provides that whoever willfully or maliciously injures or destroys any of the works, property, or material of any radio, telegraph, telephone or cable, line station, or system, or other means of communication, operated or controlled by the United States, or used or intended to be used for military or civil defense functions of the United States whether constructed or in process of construction, or willfully or maliciously interferes in any way with the working or use of any such line, or system, or willfully or maliciously obstructs, hinders, or delays the transmission of any communication over any line, or system, will be fined up to $10,000 or imprisoned for not more than 10 years, or both.

In the case of any works, property, or material, not operated or controlled by the United States, however, this section does not apply to any lawful strike activity, or other lawful concerted activities for the purposes of collective bargaining or other mutual aid and protection which do not injure or destroy any line or system used or intended to be used for the military or civil defense functions of the United States.

Federal Communications Act—Amendment

S. 1288: Passed Senate April 28, 1961. Pending in House Interstate and Foreign Commerce Committee:

Permits the Federal Communications Commission in certain situations to waive the annual inspection required under the statutory provision for a period not to exceed 30 days, upon a finding that the public interest would be serviced.

Under the present act, every ship of the United States must have the equipment and apparatus inspected at least once each year by the Commission, and there is no flexibility beyond the expiration of a 12-month period. In certain cases this creates a hardship on commercial vessels returning to the United States from extended foreign voyages. The ship radio station must be inspected at the first port of call rather than at a port selected by the shipowner for reasons of economic and operational convenience. Thus, this additional 30 days will provide the flexibility considered necessary and desirable.

Telecasting of professional sports contests

H.R. 9096: Public Law 87-331, approved September 30, 1961:

Authorizes the member clubs of a professional football, baseball, basketball, or hockey league, to pool their separate rights in the sponsored telecasting of their games and to permit the league to sell the resulting package of pooled rights to a television network without violating the antitrust laws. It also provides that such package contracts cannot be used to impair college football gates receipts through network telecasts of professional football contests at times when college games are normally played.

CRIME

Agency or department investigations

S. 1665: Passed Senate July 28, 1961. Pending in House Judiciary Committee:

Prohibits, subject to a fine of not more than $5,000 or imprisonment of not more than 5 years, or both, the obstruction of any lawful inquiry or investigation by the Department of Justice or the Department of the Treasury, and prohibits injury to any person on account of his furnishing or having furnished information in connection with any inquiry.

This will aid in protecting any witnesses who give necessary testimony prior to court proceedings from intimidation or coercion, a protection not now provided under the law.

Bad check offenses

H.R. 7657: Public Law 87-385, approved October 4, 1961:

Amends the Uniform Code of Military Justice by adding section 923a which would make specific the terms of the authority for prosecution of bad check offenses, thus creating a specific statutory authority for such a prosecution against members of the Armed Forces. None of the statutes under which violations are now prosecuted are entirely appropriate due to numerous technical problems in pleading or proving any bad check case.

Escape of juvenile delinquents

S. 1954: Passed Senate September 19, 1961. Pending in House Judiciary Committee:

Imposes a fine of $1,000 or 1 year in prison, or both, as a penalty for a juvenile delinquent under 18 who escapes or attempts to escape from the custody of the Attorney General or his authorized representative for violation of any law not punishable by death or life imprisonment and if the Attorney General has not specifically directed the institution of criminal proceedings.

Espionage laws—Extension

H.R. 2730: Public Law 87-369, approved October 4, 1961:

Deletes section 791 of title 18 of the United States Code, which has the inadvertent effect of limiting venue relative to acts of espionage and censorship, to acts committed in the United States or within the admiralty and maritime jurisdiction of the United States. By repealing this section, venue will be extended worldwide as to citizens of the United States committing these acts.

False bomb information

H.R. 6334: Public Law 87-338, approved October 3, 1961:

Strengthens the present law on imparting false bomb information by making it a misdemeanor knowingly (but without malice) to impart or convey such false information, and by making it a felony to convey such false information willfully and maliciously or with a reckless disregard for human life.

Federal Youth Corrections Act

H.R. 5343: Public Law 87-336, approved October 3, 1961:

The purpose of this bill is to correct an existing inconsistency in the Federal Youth Corrections Act. At present a youth offender who has been committed or incarcerated is entitled, on discharge, to have his conviction set aside. However, a youth offender who is not committed but instead is placed on probation by the court is not entitled to this benefit. This bill now makes available to a youth offender placed on probation the same benefits as the youth offender who has been committed to a correctional institution.

Fugitive Felon Act

H.R. 468—Public Law 87-368, approved October 4, 1961:

To combat organized crime and racketeering, this bill amends the Fugitive Felon Act to bring within its scope any fugitive who travels in interstate or foreign commerce to avoid prosecution, or custody or confinement after conviction, for any crime or an attempt to commit any crime, punishable by death or imprisonment for a term of more than 1 year under the laws of the place from which the fugitive fled.

Gambling devices

S. 1658—Passed July 28, 1961. Pending in House Interstate and Foreign Commerce Committee:

Broadens the definition of gambling devices to cover additional types of machines (other than those defined under present law) manufactured for gambling purposes. Requires detailed records be maintained with respect to the acquisition and disposition of gambling devices that might be shipped or intended to be shipped in interstate and foreign commerce.

An inventory record of all devices sold, delivered, or shipped must be kept and must be open at any time for inspection by agents of the Federal Bureau of Investigation.

Racketeering enterprises

S. 1653: Public Law 87-228, approved September 13, 1961:

Prohibits the use of the mail or any transportation in interstate or foreign commerce for the purpose of distributing the proceeds of any unlawful activities (business enterprises involving gambling, bootlegging, narcotics, or prostitution or investigations of narcotic or liquor law violations). Also prohibits the use of mails or interstate and foreign commerce transportation to those with the intent of committing any crime of violence to further any "unlawful activity" or who might otherwise promote or manage any "unlawful activity." The penalty for violation: $10,000 or 5 years in prison or both.

Testimony—Compulsion

S. 1655: Passed Senate July 28, 1961. Pending in House Judiciary Committee:

This bill authorizes compulsion of testimony and grants of immunity to witnesses in cases of graft, bribery, and extortion under the Taft-Hartley Act and the Hobbs Anti-racketeering Act.

Transmission of bets

S. 1656: Public Law 87-216, approved September 13, 1961:

Forbids the use of wire communications (telephone, telegraph, or any other means of interstate wire communications) for gambling. Information carried for use of the press and wireless communication of information are not included. Any common carrier, subject to the jurisdiction of the FCC, must discontinue or refuse to lease, furnish, or maintain any such facility after being notified in writing by a Federal, State, or local law-enforcement agency that such services are being used for transmitting or receiving gambling information. The penalty for violation: $10,000 fine or 2 years imprisonment or both.

Wagering paraphernalia

S. 1657: Public Law 87-218, approved September 13, 1961:

Prohibits interstate transportation of wagering paraphernalia for bookmaking, wagering pools, numbers game or similar games carried by means other than common carrier in the usual course of its business (allows transportation of equipment from a State where it is manufactured into a State where parimutuel betting is legal). The penalty for violation: not more than $10,000 or imprisonment for not more than 5 years, or both.

DEFENSE

AEC authorization

H.R. 7576: Public Law 87-315, approved September 26, 1961:

Authorizes total appropriations of $270,440,000 for the Atomic Energy Commission. An important item included in this authorization is $111 million for the linear electron accelerator at Stanford and the balance is new construction funds for 40 AEC projects.

AEC—Omnibus amendments

H.R. 8599: Public Law 87-206, approved September 6, 1961:

This measure is considered as the AEC omnibus bill of 1961.

Amendments include (1) the transfer of 3 kilograms of plutonium and 500 grams of uranium 233 to the International Atomic Energy Agency to aid in the prestige of the IAEA as a center for distribution of special nuclear materials; (2) the transfer of 8 additional kilograms of plutonium and 30 kilograms of uranium 233 to Euratom for research purposes and to help start an experimental plant for reprocessing fuel elements; (3) extends hearing times for the program, "Development, Growth, and State of the Atomic Energy Industry"; (4) makes regulations concerning patent rights of atomic inventions; (5) sanctions the AEC's practice of not releasing all of the reports of an inventor's atomic inventions unless due to special circumstances; (6) transfers back to the State of California exclusive jurisdiction which the United States now exercises over portions of the AEC Livermore site; and (7) permits, at the discretion of the Commission, those persons having security clearance granted by another Government agency to fulfill security specifications of the AEC.

Career Compensation Act—Clarification

H.R. 4324: Public Law 87-103, approved July 25, 1961:

Makes more uniform the language of the Career Compensation Act of 1949 regarding reenlistment within 3 months from the date of discharge. The law now uses both "90 days" and "3 months" which has caused confusion and overpayment of reenlistment bonuses of the extra days that occur because of 31-day months. The uniform term would be 3 months.

Coast Guard—Temporary appointments

H.R. 8719: Public Law 87-257, approved September 21, 1961:

Extends the authority of the President to make temporary appointments in the Coast Guard, until January 1, 1964, or until such time as the Secretary of the Treasury determines that the number of officers holding permanent appointments on the active list of the Coast Guard is equal to 95 percent of the number authorized by law, whichever occurs earlier.

Emergency evacuation payments

H.R. 7724: Public Law 87-188, approved, August 30, 1961:

Authorizes advance payment of the basic pay of any member of the Armed Forces to a dependent who might be evacuated in an emergency from any oversea area. The advance pay would not be anything over and above the basic pay and could be drawn not to exceed 2 months in advance.

Enlistment of aliens

H.R. 181: Public Law 87-143, approved August 17, 1961:

This measure authorizes peacetime enlistments in the Army and the Air Force by persons who have been lawfully admitted to the United States for permanent residence.

Under existing law, in peacetime a person may not be accepted for original enlistment unless he is a citizen of the United States or has made a legal declaration of intention to become a citizen; however, section 4a of the Universal Military Training and Service Act provides for registration and induction into the Armed Forces of male aliens under certain conditions. Many of these aliens, after serving a part of their military obligation, would like to enlist and make a career in military service but, because of assignment overseas or other circumstances, they are unable to comply with the requirement that an alien must make a legal declaration of intention to become a citizen of the United States before he may be accepted for enlistment.

Thus, this bill eliminates the requirement that an alien must have made a legal declaration of his intention to become a citizen of the United States before he is eligible to enlist in the Army or the Air Force. And, in the future, the Army and the Air Force will permit persons to enlist who can furnish proof of lawful admission to the United States for permanent residence.

Family separation allowances

H.R. 6244: Public Law 87-207, approved September 6, 1961:

Relieves members or former members of the Armed Forces who, in good faith, received a family separation allowance between February 28 and September of 1958. The allowance was withdrawn after September because it was determined that the Defense Secretaries hadn't the authority to make them under existing law. The allowance was for servicemen who, because of inadequate living facilities or because dependents were not permitted, could not take their families to their assigned post and had to maintain two homes—one in the United States and one abroad. Those who accepted the allowance would not have to pay back the Government; those who have paid back any part of the allowance can request a refund from the Government.

Marine Corps supply officers

H.R. 4328—Public Law 87-123, approved August 3, 1961:

This bill eliminates the supply-duty-only officers category in the U.S. Marine Corps and authorizes their reassignment as officers not restricted in duty performance, to improve the combat effectiveness of the corps by providing for the expanded assignment of these officers whose skills lie primarily in the supply field.

Under existing law Marine Corps officers may be appointed as supply-duty-only officers in the grade of captain and above and, as a result, promotions for these officers is restricted to vacancies within this category.

This bill enables these officers to be reassigned on active duty lists of the Marine Corps (except the incumbent Quartermaster General) as officers not restricted in duty which will permit them to compete against unrestricted officers for promotion to the next higher grade.

Military construction authorization

H.R. 5000—Public Law 87-57, approved June 27, 1961:

This measure provides construction and other related authority for the Department of Defense, within and outside the United States, and authority for construction of facilities for the Reserve components, in the total amount of $893,947,750.

A breakdown of the authorizations:

Army:	
Inside continental United States	$76,918,000
Outside continental United States	37,243,000
Classified	6,245,000
Emergency construction	10,000,000
Total	130,406,000
Navy:	
Inside continental United States	79,239,000
Outside continental United States	8,136,000
Classified	40,969,000
Emergency construction	10,000,000
Total	138,344,000
Air Force:	
Inside continental United States	146,868,000
Outside continental United States	32,293,000
Classified	285,300,000
Emergency construction	10,000,000
Total	474,461,000
Defense:	
Military family housing	8,650,000
Missile and space programs	27,000,000
Deficiency authorizations:	
Army	4,930,000
Navy	39,700,000
Air Force	3,359,000
Total	47,989,000
Reserve components:	
Army National Guard	$22,682,750
Army Reserve	12,505,000
Naval and Marine Corps Reserves	7,794,000
Air National Guard	18,606,000
Air Force Reserve	4,865,000
Total	66,156,750
Deficiency authorizations:	
Army National Guard	28,000
Army Reserve	73,000
Naval Reserves	152,000
Air National Guard	363,000
Air Force Reserve	29,000
Total	645,000
Grand total of all authorizations	893,947,750

Military procurement authorization

S. 1852: Public Law 87-53, approved June 21, 1961:

This measure authorizes $12,571 million for the procurement of aircraft, missiles, and naval vessels for fiscal 1962. The specific types of aircraft, missiles, and naval vessels to be procured are not designated in the bill in order to provide the Defense Department with more flexibility in this program. In the event of reprograming, however, the Department will notify the Committees on Armed Services and Appropriations before implementing the proposed changes.

Pertinent breakdown:

Aircraft:	
Army	$211,000,000
Navy and Marine Corps	1,585,600,000
Air Force (of which $525,000,000 is authorized only for the procurement of long-range manned aircraft for the Strategic Air Command)	3,841,200,000
Missiles:	
Army	550,800,000
Navy	606,400,000
Marine Corps	27,000,000
Air Force	2,792,000,000
Naval vessels, Navy	2,957,000,000
Total	12,571,000,000

Military procurement authorizations—Additional

S. 2311—Public Law 87-118, approved August 3, 1961:

Authorized additional appropriations, as requested by the President on July 26, 1961, to provide for additional equipment primarily to improve the nonnuclear defense capabilities of our ground forces and of the Navy and Air Force; to provide increased air and sea lift; and to expand our antisubmarine warfare program. The overall request for additional authorizations for the procurement of weapons, equipment, and ammunition was for $1,753 million; however, of this amount additional authorizations are required only for $958,570,000.

Summary of authorizations

Category and service	Appropriation title	Additional fiscal year 1962 NOA requiring authorization
Aircraft:		
Army	Procurement of equipment and missiles, Army	$36,700,000
Navy and Marine Corps	Procurement of aircraft and missiles, Navy	281,400,000
Air Force	Aircraft procurement, Air Force	(211,500,000)
	Airlift modernization, Air Force	(82,600,000)
Subtotal, aircraft		612,200,000

Summary of authorizations—Continued

Category and service	Appropriation title	Additional fiscal year 1962 NOA requiring authorization
Missiles:		
Army	Procurement of equipment and missiles, Army	$33,770,000
Navy	Procurement of aircraft and missiles, Navy	262,200,000
Marine Corps	Procurement, Marine Corps	
Air Force	Missile procurement, Air Force	8,800,000
Subtotal, missiles		304,770,000
Naval vessels: Navy	Shipbuilding and conversion, Navy	41,600,000
Grand total		958,570,000

Museum Advisory Board

H.R. 4659—Public Law 87-186, approved August 30, 1961:

Establishes a National Armed Forces Museum Advisory Board of the Smithsonian Institution of 11 members, 9 appointed by the President and the Secretary of the Smithsonian and Defense (ex officio). The members would serve without pay but would be reimbursed for necessary expenses. They would advise the Regents of the Smithsonian as to the portrayal of exhibits depiciting the contributions which the Armed Forces have made—not only in matters of time of war but in those matters that provide a powerful deterrent to war.

National Guard

S. 1342—Public Law 87-83, approved July 6, 1961:

Permits members of the National Guard who voluntarily participate in reenacting the Battle of First Manassas to be treated for the purpose of death and burial benefits, physical disability retirement, and other benefits provided by Federal law as if they were performing training duty, with the exception of pay and allowances.

Transportation facilities will also be furnished by the Government.

Naval Reserve officers' status

H.R. 4349—Public Law 87-109, approved July 21, 1961:

Provides that the commissions received by Naval Reserve Officers' Training Corps graduates shall be considered to be of the same status as those received by U.S. Naval Academy graduates. In this same status Reserve officers will also have to apply, as an Academy graduates must, to terminate his service. Now such an officer must petition if he desires to stay in the service. This requirement cuts down the eagerness of young officers to stay in the service and creates the impression that they are considered second-class officers.

Navy diving duty pay

H.R. 4323—Public Law 87-145, approved August 17, 1961:

This bill repeals existing law authorizing various forms of pay for personnel engaged in diving duty and established a maximum rate of $110 a month as special pay for military personnel performing diving duty. Under this bill, the Secretary of the Navy will establish a flat rate of $110 for all officers performing diving duty and a scale of from $55 to $100 a month for enlisted personnel depending upon skill and experience. At present, there are three separate types of pay now authorized for persons performing diving duty which will be repealed by this act.

Ready reservists

Senate Joint Resolution 120—Public Law 87-117, approved August 1, 1961:

Authorizes the President to order up 250,000 ready reservists to active duty for not longer than 12 months; part of the increased strength needed will be accomplished by added inductions, additional enlistments, and increased officer procurement. The President can also extend terms of enlistments and appointments where there might be a shortage of trained personnel in areas of critical need in the foreseeable future. The forces called will be those necessary to build up a balanced fighting unit; priority will be for persons who have not previously fought a war or served long periods of active duty and those whose occupation is not essential to maintain the national health, safety, or interest. As many troops as 250,000 may be called up under this authorization.

Reemployment rights—UMT

H.R. 8765—Public Law 87-391, approved October 4, 1961:

Amends the reemployment provisions of the Universal Military Training and Service Act to:

Reinforce the reemployment protection of those who perform additional military service under present conditions (250,000 reservists ordered to active duty under Public Law 87-117 of August 1, 1961).

Remove a requirement that rejectees must request a leave of absence from their employer to determine their physical fitness to enter the Armed Forces.

Assure those who are called for preinduction examinations and subsequently accepted or rejected are entitled to remain in their employment pending their induction or rejection.

Reserves—Participation

H.R. 5490: Public Law 87-378, approved October 4, 1961:

Provides more flexible regulations regarding terms of enlistment in the National Guard to make service in that unit more attractive, for as the law now stands, service is either for 1 or 3 years.

Other changes include making ROTC graduate training program run from 3 to 6 months at the discretion of the service Secretary in place of the required 6-month active duty requirement. Also includes penalty provisions for those who fail to actively participate during terms of service in either the Active Reserve or the National Guard.

Troop command

H.R. 7722: Public Law 87-142, approved August 17, 1961:

This act provides permissive authority for officers of the Army Medical Service to exercise command outside the Army Medical Service when directed by appropriate authority.

Under existing law, a commissioned officer of the Army Medical Service is not entitled to exercise command because of his rank except within the Army Medical Service.

This legislation will permit a qualified officer of the Medical Service Corps to be utilized on the same basis as officers of other technical services.

DISTRICT OF COLUMBIA

Alcoholic Beverage Control Act Amendments

H.R. 256: Public Law 87-238, approved September 14, 1946:

Provides for collecting taxes on alcoholic beverages in the District of Columbia by a monthly reporting system. This will require the wholesaler to furnish a monthly statement showing the quantity of beverage subject to taxation which was sold by him during the calendar month, and to pay the tax on the quantity sold. This method has been in use for sometime in the District on the taxation of beer and wine.

This will eliminate the present tax-stamp method which requires that alcoholic beverage taxes be collected by the use of stamps, sold by the Collector of Taxes.

Bus fares—Schoolchildren

S. 1745: Passed Senate September 26, 1961:

Authorizes the District of Columbia government to reimburse each common carrier required to transport schoolchildren at reduced fares (10 cents), the difference between the reduced fare and the lowest adult fare (20 cents).

Compulsory school census

S. 560: Passed Senate September 1, 1961. Pending in House District Committee:

Provides that all children below the age of 18 be listed in the school census. Now, children between the ages of 3 and 18 must be listed; the new ruling would be helpful to school officials in making projections of future enrollments. The census will be taken as often as requested by the Superintendent of Schools and the Board of Education.

The bill also provides for a designation on the census form as to whether the school attended by the child is public or private, to help in determining how crowded the conditions may be in the public schools.

Contract approval

S. 1651: Passed Senate June 16, 1961. Pending in House District Committee:

This bill keeps pace with the rising number of contract approval actions which District law requires the Commissioners to act upon. The Commissioners are authorized to delegate to any Commissioner, or officer, employee, or agency of the District of Columbia government, the authority to approve contracts of $100,000 or less.

Court fees

S. 558: Public Law 87-349, approved October 4, 1961:

This bill eliminates an existing situation with regard to a District of Columbia statute where the District of Columbia is required to pay certain fees assessed by the district courts (which it either wholly or in large measure supports), but is exempted from paying costs.

Credit unions in District of Columbia

H.R. 6495: Public Law 87-249, approved September 14, 1961:

Amend the Life Insurance Act of the District of Columbia to permit credit unions to issue life insurance to their members not in excess of the member's savings in the credit union, or more than $2,000, whichever is smaller.

This will enable credit unions in the District to provide life savings insurance for their members which now must be obtained outside the District, resulting in a loss of local business and revenue.

District of Columbia hospital extension

H.R. 4913—Public Law 87-79, approved June 30, 1961:

This measure extends the Federal grant authority of the District of Columbia Hospital Center Act for 1 year, from June 30, 1961, to June 30, 1962.

This act has the dual purpose of providing the District and other interested Federal agencies with additional time to formulate a coordinated program of Federal assistance to George Washington University Hospital and other hospitals in the metropolitan area, and also preserves the present program of expanding private hospitals in the District through Federal grants provided under the provisions of the Hospital Center Act.

Divorce

S. 1761—Passed Senate September 11, 1961. Pending in House District Committee:

This bill amends existing law relating to residence requirement for divorce, legal separation, annulment of marriage, and maintenance of children and former wives in the District of Columbia by providing:

1. Regardless of where cause of action arose, either party may sue for divorce in the District if he or she has been a resident of the District for 1 year.

2. If marriage occurred outside the District, annulment proceedings may be brought if either party has been a resident of the District for 1 year. To annul a marriage performed in the District, either party may bring the action so long as one of the parties is an actual bona fide resident of the District at the time the action is brought.

3. To affirm the validity of any marriage, whether performed within or without the District, action may be maintained if either party resides in the District at the time the suit is brought.

4. Reduced to 1 year (from 2) the period of desertion as a ground for absolute divorce.

5. Reduced to 3 years (from 5) period of voluntary separation without cohabitation as a ground for absolute divorce.

6. Eliminated the words "involving moral turpitude" from the description of a felony conviction and sentence for not less than 2 years to a penal institution, when this is used as a cause for the divorce.

7. Reduced to 1 year (from 2) the waiting period for enlarging a limited divorce to an absolute divorce, measured from the time the parties separated.

8. Required a divorced father to maintain his minor children; and a former husband who has obtained a foreign ex parte divorce and who has been served personally with process in the District must maintain his former wife if so ordered by the court.

Elections

H.R. 8444: Public Law 87-389, approved October 4, 1961:

To implement the 23d amendment to the Constitution providing that District residents may vote in the presidential elections, this measure will:

Retain 21 as the minimum age for qualified voters in the District.

Abolish permanent registration and require all qualified voters to register in the year in which the presidential election is held.

Liberalize requirements relating to absentee registering and voting, but permit only the physically incapacitated to register by absentee.

Establish procedures for presidential elections to be selected in two ways:

(1) By certification of the executive committee recognized by the national committee of a major political party, that is, a party which has had its candidates for electors of President and Vice President on the ballot in each of five States in the last election.

(2) Any other party may have its candidates for electors submitted to the Board of Elections by presenting a petition to the Board signed by at least 5 percent of the registered qualified voters as of July 1 immediately preceding the election.

Require an elector to take an oath or solemnly affirm that he or she will vote for the candidate of the party he has been nominated to represent; and that it shall be his duty to vote this way in the electoral college.

Provide that only the names of the candidates of each political party for President and Vice President shall be placed on the ballot.

Make provision for a substitute appointment by the party committee in case the candidate for elector dies, resigns, or becomes unable to serve.

Require a 1-year residency in the District before one has the privilege of voting.

Require that nominees for presidential electors must qualify as voters and must have been residents of the District for 3 years.

Forbid the sale of alcoholic beverages on the day of the presidential election and during the hours when the polls are open, except sales by pharmacists on physicians' prescriptions.

Fire Department workweek

S. 1292: Public Law 87-399, approved October 5, 1961:

Reduces the present 60-hour workweek of officers and members of the firefighting division of the Fire Department of the District of Columbia to a 56-hour average workweek.

Gambling in the District of Columbia

H.R. 4669: Public Law 87-359, approved September 21, 1961:

Strengthens the law relating to gambling in the District by authorizing forfeiture to the District of property seized in connection with a gambling violation.

The procedure prescribed for forfeiting property is a libel action brought in the municipal court by the Corporation Counsel. Unless good cause is shown to the contrary, the property is forfeited to the District and may be made available for the use of any agency of the District government or may be disposed of as the Commissioners may, by order or regulation, provide. Where there are bona fide liens against forfeited property, the property may be sold at public auction; however, before the bona fide lienholder is satisfied, the District's costs for the public auction must first be paid.

Healing Arts Practice Act amendment

H.R. 8032—Public Law 87-248, approved September 14, 1961:

Allows the Commissioners of the District of Columbia to utilize the facilities of a nationally recognized examining board to examine and evaluate the professional skill of any graduate from any foreign medical school in order that the Commissioners may issue a license for these doctors to practice in the District. Also, makes it possible for a graduate of a medical school registered under the Healing Arts Practice Act to be given credit for a degree regardless of whether the school became unregistered after his graduation.

Indecent publications

H.R. 4670—In conference:

This bill strengthens existing law against indecent publications by authorizing forfeiture to the District of Columbia of property used in connection with a violation of the law relating to indecent publications. It also provides for enjoining as a public nuisance any place where persons resort or congregate to violate the indecent publication law of the District of Columbia.

Juvenile court judges—Two additional

S. 486—Passed Senate September 1, 1961. Pending in House District Committee:

This measure provides for the appointment of two additional juvenile court judges for the District of Columbia, making a total of three. The two new judges will be appointed by the President and confirmed by the Senate. The judges appointed as a result of this measure will serve for a 10-year term, or until his successor is appointed and qualified. To qualify, one must:

1. Be a member of the District of Columbia bar for a period of 5 years preceding his appointment.

2. During a period of 10 years immediately preceding appointment have been a resident of the District of Columbia or of the metropolitan area of the District for at least 5 years of which not less than 3 years must immediately precede appointment. Metropolitan area means Montgomery and Prince Georges Counties in Maryland, and Arlington and Fairfax Counties and the cities of Alexandria and Falls Church in Virginia.

3. Have a broad knowledge of social problems and procedures and an understanding of child psychology.

This bill provides that the present judge of the court shall continue in office and be considered as occupying one of the three positions of judge provided in this legislation.

The chief judge, to be designated by the President, will receive $18,000 a year, and the associate judges will receive $17,500 a year.

Juvenile division—Youth correctional center

S. 2299—Passed Senate September 7, 1961. Pending in House District Committee:

Establishes a juvenile division within or in connection with the District of Columbia Youth Correctional Center and authorizes the judge of the juvenile court to commit to this division children 15 years of age or older which will provide the District with an adequate institution to rehabilitate older, more aggressive, juvenile delinquents.

Learners' driving permits

S. 1291—Passed Senate June 16, 1961. House Calendar:

This bill raises the fee for driving permits for learners in the District of Columbia from $1 to $2 to pay the cost of a traffic safety education program.

Life insurance

H.R. 7044—Public Law 87-245, approved September 14, 1961:

This legislation permits domestic District of Columbia life insurance companies to acquire common stocks of any other insurance company for the purpose of acquiring subsidiaries or affiliates. Limits the total investment to an amount equal to the investing company's capital, surplus, and contingency reserves in excess of the minimum statutory requirements of $150,000.

Thus, this amendment permits life insurance companies in the District of Columbia to compete on an equal basis with companies incorporated in other States. It permits companies to diversify by becoming allied with insurance fields such as fire, casualty, health, and accident. These changes will strengthen the domestic companies and provide more security and service to their policyholders.

Marital property rights

H.R. 7265—Public Law 87-246, approved September 14, 1961:

This measure amends the District of Columbia Code to provide a new basis for determining certain marital property rights. It establishes a uniform succession of both real and personal property and expressly provides for payment of debts, administration expenses, and taxes out of the decedent's real property if there is a deficiency of personal property.

Restores the inchoate right of dower and expressly provides that all existing sections of the District of Columbia Code relating to dower be construed to apply to both husband and wife.

Expands the existing form for renunciation to permit not only election of the legal share of real and personal property, but election of dower in lieu of the legal share of the real property.

Provides for election of dower in lieu of the legal share of intestate real property of the deceased spouse.

Provides for renunciation by a guardian or other fiduciary for an infant, incompetent, or person under disability.

Provides a limitation on the share of the surviving spouse filing a renunciation can receive in derogation of the mill. The renouncing spouse is limited to one-half of the net estate, or in the case of election of dower in lieu of the legal share of the real

property, to one-half of the net personal property and dower in the real property.

Clarifies existing provisions of the code relating to the interest of a spouse where there is a valid antenuptial or postnuptial agreement, by expressly permitting the surviving spouse to take a devise or bequest which the other spouse has voluntarily made to him or her.

Municipal Court—Jurisdiction

H.R. 3222—Public Law 87-242, approved September 14, 1961:

Confers jurisdiction on the municipal court for the District of Columbia over certain counterclaims and cross-claims in any action in which the municipal court had initial jurisdiction. This jurisdiction is now limited to cases of counterclaims and cross-claims when the value of the claims is not in excess of $3,000. Any claims for more than $3,000, although initial action is in the municipal court, is referred to the U.S. district court. This means that litigation must be dealt with by two courts, thus making the settling of cases a longer and more costly procedure than necessary.

Municipal court small claims branch

S. 561—Public Law 87-203, approved September 6, 1961:

Raises the dollar limit on cases admissible to the small claims and conciliation branch of the district court, from $50 to $150, to keep pace with the trend in small claims, which in recent years have declined sharply in number where they are below $50, but increased in number where they are between $50 and $150. This will better utilize the small claims branch, and at the same time entitle more litigants to enjoy the advantage of the branch's simplified procedures.

Perjury statute

S. 2356—Passed Senate September 1, 1961. Pending in House District Committee:

Makes the District of Columbia perjury statute applicable to those persons who make false statements, under oath, when applying for licenses or renewal of licenses as insurance agents and brokers in the District of Columbia.

This act will further protect purchasers of insurance in the District of Columbia from being deceived and defrauded by dishonest insurance salesmen.

Physical therapy

S. 1762—Public Law 87-280, approved September 22, 1961:

Requires that all physical therapists be registered under the provisions set down by this act and carried out by the Commissioners of the District of Columbia, unless these therapists are exempt under terms of other acts as specified, such as those employed under the immediate supervision of a licensed medical doctor. A board of examiners is to be appointed; they are to examine any applicant for a license to practice physical therapy. The Commissioners or whomever they may delegate are authorized to hold studies and investigations when necessary. A register of approved schools is to be kept.

Police force—Strength

H.R. 7218—Public Law 87-60, approved June 27, 1961:

This bill raises the authorized minimum limit of the Metropolitan Police Force of the District of Columbia from 2,500 to 3,000 (at present the force has 2,714 members, 214 above the minimum level) to provide more adequate protection for citizens of the District.

Privileged communications—Clergymen

H.R. 5488—Public Law 87-318, approved September 26, 1961:

Prohibits District of Columbia courts from examining any minister of religion in connection with communications made to him in his professional capacity without consent of the party involved.

Public assistance—Consolidation

S. 914—Passed Senate September 7, 1961. Pending in House District Committee:

This bill consolidates various statutes on District of Columbia public assistance; makes uniform in all types the requirement of relatives to contribute to aid and establishes residence qualifications.

The acts consolidated are: Old-age assistance, aid to the blind, aid to dependent children, aid to the permanently and totally disabled, and general assistance authorized in appropriation acts for the District of Columbia.

Makes uniform in all categories a 1-year residence requirement for public assistance eligibility and applies the same uniformity requirements as to the responsibility of relatives to contribute to the support of the applicant. Thus, this measure requires the husband, wife, father, mother, or adult child of a recipient of public assistance or of a person in need of public assistance to be responsible for the support of the needy person in proportion to the ability of the relative to contribute to his support. The recipient of assistance or a person in need of assistance or the Commissioners may bring legal action to require support from the designated relatives while, under existing law, only the District of Columbia is empowered to sue responsible relatives.

Regulate the height of buildings

S. 1529—Public Law 87-281, approved September 22, 1961:

Amends the act regulating the height of buildings in the District of Columbia. This bill eliminates the limitation that no buildings in a medium- or high-density apartment area could be over eight stories high; the limitation remains that no building in such an area could be over 90 feet high. This limitation will allow an increase from 8 to 10 stories for apartment buildings and would simplify the construction plans and lower the building costs per living unit.

Remove dangerous buildings

S. 557—Passed Senate September 1, 1961. Pending in House District Committee:

Authorizes the Commissioners of the District of Columbia to require that unsafe structures be vacated under penalty of $300 fine or up to 30 days' imprisonment as figured after 5 days' notice to repair or take corrective action has been given. A fine not to exceed $50 per day will be charged against anyone who fails to carry out any repair required by the Commissioners.

This measure also establishes that any work undertaken to correct unsafe conditions which has been paid by the District of Columbia government is to be assessed against the property and to be collected as taxes; the "grace period" during which interest is not charged is cut to 60 days from 90 days and the interest charged is changed from 10 percent per annum to one-half of 1 percent per month.

Retired Government personnel—District of Columbia schools

S. 502—Passed Senate September 7, 1961. Pending in House District Committee:

Permits retired Federal employees to teach in the District of Columbia school system without loss or reduction in Federal retirement pay; also permits District of Columbia teachers who have reached the mandatory retirement age to accept Federal positions without loss or reduction of teachers' retirement pay.

Under existing law, retired Government personnel teaching in District of Columbia schools are forced to accept salaries reduced by the amount of their retirement annuity. As this law is applicable only in the District, the Maryland and Virginia schools benefit greatly by the utilization of the broad experience of retired Federal employees in teaching capacities.

Retirement—Policemen and firemen

S. 1918—Passed Senate September 7, 1961. Pending in House District Committee:

Extends benefits of the Policemen and Firemen's Retirement and Disability Act Amendments of 1957 to widows and surviving children of former members of the Metropolitan Police force, the Fire Department of the District of Columbia, the U.S. Park Police force, the White House Police force, or the U.S. Secret Service Division, who were retired, or who died in the service of any such organization prior to the effective date of the 1957 act, or who retired prior to the effective date. Thus, under this bill, a widow and one child now receiving $150 a month will be increased to $200 a month.

Places on a complete parity the protection accorded the surviving dependents of men who died prior to the effective date of the 1957 amendments and the survivors of men who died after the effective date of the amendments.

These new benefits will be made effective the first day of the first month following the date of enactment.

Stream Valley Park

S. 588—Passed Senate June 16, 1961. Pending in House Public Works Committee:

This bill increases the authorization for acquiring and developing the Stream Valley Park projects, to extend them from the District of Columbia into Maryland. This would make grant authorizations to Maryland for these projects equal to those made for Virginia for similar projects in 1952.

Tax increase

H.R. 258—House disagrees to conference report:

Provides for means of collecting needed revenue for supplementing the District of Columbia budget. There is a $21.3 million deficit in the District of Columbia proposed budget, due to the cut in the Federal contribution to pay the expenses of the District of Columbia government and also due to the mandatory increases in District of Columbia government employees.

The increases in taxes include an increase to 3 percent from 2 percent on sales tax with no change on present 1-percent tax on groceries and imposes a tax upon each deed at the time it is submitted at one-half of 1 percent of the consideration of the deed, with certain specified exemptions.

Provides for the establishment of a parking fee account within the highway fund of the District of Columbia. The account would receive the revenue of all parking meters and other revenue acquired under the operations of the Motor Parking Facility Act and all the revenue now in the motor vehicle parking fund. The money will be used to maintain roads and highways and pay for the removal of snow and ice from the streets.

Provides for standby authority for the District of Columbia government to raise water rates and sanitary sewer service charges by as much as 25 percent to meet continuing construction and operating costs.

Permits the District of Columbia to be considered as an impacted area in order to receive Federal payments for school construction purposes.

Teachers College

S. 1328—Passed Senate September 1, 1961. Pending in House District Committee:

Establishes a junior college division within the District of Columbia Teachers College leading to a degree of associate in arts. It will affect particularly the 175 to 200 graduates of the District public schools who are capable of college level study but who are not financially able to obtain a college education as well as those 200 to 250 students who are capable of some but not complete

education at the college level. The Commissioners are authorized to establish and determine tuition rates; it is suggested that $100 be charged for tuition and the school fees combined for those taking a full college program.

Tissue banks licensing

S. 2321—Passed Senate September 1, 1961. Pending in House District Committee:

Aids in the development of reconstructive medicine by authorizing licensing of tissue banks in the District of Columbia and facilitates the ante-mortem and post-mortem donations of human tissue. A person may, by written agreement, donate any part of his body, at the time of his death to the tissue bank. The bill amends existing law to facilitate the movement and transfer of the deceased within the District by authorizing the Commissioners to control this movement by appropriate regulations, as the transfer of tissue must be made within a very few hours after death has occurred.

Under present law, a burial permit by the health officer of the District, countersigned by the coroner, must be obtained, and it is also unlawful to destroy any part of the deceased's body within 4 hours of death. Also permits the coroner to allow tissue to be removed from any body in his custody or under his jurisdiction, subject to the approval of the person having a right to the body.

Trading stamps in the District of Columbia

H.R. 7622—Public Law 87-262, approved September 21, 1961:

Authorized the use of trading stamps by the merchants and retailers in the District of Columbia. In reality, this bill repealed in its entirety the District's present gift enterprise law prohibiting the use of such promotional devices.

Traffic Act

S. 559—Passed Senate June 16, 1961, pending in House District Committee:

This bill raises the maximum allowable imprisonment term for violations of District traffic laws, from 10 to 90 days.

Unemployment Compensation Act amendments

H.R. 5968—In conference:

Amends the District of Columbia Unemployment Compensation Act to bring it in conformity with existing wages in the District of Columbia by—

1. Extending the provisions of the District of Columbia Unemployment Compensation Act to employees of certain nonprofit religious, charitable, educational, and humane organizations not presently covered by the act;

2. Permitting voluntary payments upon the part of employers into the unemployment compensation fund to protect experience ratings previously earned;

3. Establishing the maximum weekly benefit amount each year as 50 percent of the average wage of all covered workers in the District of Columbia;

4. Extending the duration of benefit payments from the present maximum of 26 weeks to a uniform 34 weeks for all eligible claimants unemployed for that period of time;

5. Removing the provisions in existing law requiring cancellation of benefits in the case of individuals who are disqualified by reason of voluntary leaving, discharge for misconduct, or refusal to accept suitable work;

6. Prohibiting certain individuals from receiving unemployment compensation if they voluntarily retire without good cause and have applied for or are receiving a pension or retirement;

7. Tightening the qualifying provision of the present law by deleting the so-called step back under which an individual cannot qualify for benefits more than two levels below that otherwise indicated by his high quarter earnings; and

8. Providing that benefits not be denied to an otherwise eligible individual for any week during which he is attending a training or retraining course with the approval of the District of Columbia Unemployment Compensation Board.

Unsanitary buildings—Condemnation

S. 563—Passed Senate September 1, 1961. Pending in House District Committee:

Amends a sanitation law of the District of Columbia to correct certain deficiencies in specifying uniform administrative measures. Under the bill, when a building is condemned and the District government makes any repairs or demolishes the building, the cost of the repairs is assessed as a tax against the property. This tax may be paid within 60 days and there will be no interest charged. If after 60 days the tax is not yet paid, interest would be charged at one-half of 1 percent a month or fraction of a month. If after 2 years the tax remains unpaid, the property is liable for sale at the next tax auction.

The bill also provides a uniform system of notifying the owner of the condemned property of the action taken against the property by the Board for the Condemnation of Insanitary Buildings.

Washington Home for Foundlings

H.R. 6798—Public Law 87-226, approved September 13, 1961:

Authorizes the Washington Home for Foundlings to establish and support an agency which will seek to place orphaned children in foster homes instead of maintaining a home or building for the reception and support for the children. Also authorizes the erection and maintenance of a separate building for the care and treatment of men, women, and children who are afflicted with cancer. Former legislation authorized cancer treatment only for women.

Woodrow Wilson Memorial Bridge

S. 564—Public Law 87-358, approved October 4, 1961:

This bill apportions the expense of operating and maintaining the Woodrow Wilson Memorial Bridge, on an equal basis, between Virginia, Maryland, and the District of Columbia.

ECONOMY

AEC Community Act—amendment

S. 1622—Public Law 87-174, approved August 30, 1961:

To accelerate property sales and stimulate the economic growth of atomic energy communities, this amendment reduces from 1 year to 90 days the waiting period prior to a negotiated sale by the Atomic Energy Commission in disposing of atomic energy community property.

The Commission desires to terminate the community disposition program as quickly as possible by sale transfers of Government-owned property into private ownership.

Area redevelopment

S. 1—Public Law 87-27, approved May 1, 1961:

As a demonstration of the Senate's "persistence," it has, for the fourth time, passed a $451 million program in an effort to aid in alleviating the suffering in distressed areas hit by unemployment and underemployment—where it is substantial and continuous—not temporary and seasonal.

This 4-year program declares its purpose to be one of Federal help for areas needing economic redevelopment, to expand their economic activities, and provide employment wherever possible by—

Authorizing the President to appoint an Area Redevelopment Administrator in the Department of Commerce (confirmed by the Senate) to receive compensation equal to an Assistant Secretary. The Administrator is to perform such duties under the act as are assigned to him by the Secretary of Commerce.

Creating an Area Redevelopment Advisory Board to advise the Administrator. The Board is to be composed of the Secretary of Commerce as Chairman and seven other department and agency heads.

Requiring the Secretary to appoint a 25-member National Public Advisory Committee on area redevelopment, composed of representatives of labor, management, agriculture, State, and local governments and the general public.

Authorizing $300 million in Treasury-financed loans—

(1) To industrial areas for constructing new factory buildings, rehabilitating and converting existing buildings for industrial use, redeveloping land and purchasing facilities, including machinery and equipment in cases of demonstrated need;

(2) For rural areas for similar type loans; and

(3) For construction, alteration, and expansion of public facilities in both industrial and rural areas.

Authorizing an appropriation of $75 million for public facility grants to be used in areas where the project could not be undertaken without the grant.

Including an antipirating provision which prohibits Federal assistance for relocating an existing business enterprise from one area to another.

Setting up eligibility requirements which must be met before assistance can be obtained.

Limiting loans for private projects to 25 years, and up to 40 years for public facilities.

Authorizing grants of $4.5 million to help redevelopment areas evaluate developing potentialities for economic growth.

Making urban renewal grants available to industrial redevelopment areas for nonresidential projects—under existing urban renewal programs.

Authorizing an annual appropriation of $10 million for retraining subsistence payments by the Department of Labor to unemployed workers who are undergoing training for a new job under the vocational training program.

Terminating the program as of June 30, 1965.

Council of Economic Advisers

H.R. 6094—Public Law 87-49, approved June 16, 1961:

This act removed the ceiling on appropriations for salaries for menbers, staff, and other employees of the Council of Economic Advisers, and thus leaves to the regular appropriations machinery of Congress to decide each year what sums are required to support the expanding work of the Council.

Among many other functions, the Council advises the President on the state of the economy and policies to promote full employment, economic growth, and reasonable price stability. Problems of international economic policy as they relate to these goals are demanding an increasing share of the Council's attention. The President has also asked the Council to take on additional responsibilities relating to natural resources and public works, manpower problems, economics of disarmament, and several other fields.

Dependent children—Aid

H.R. 4884—Public Law 87-31, approved May 8, 1961:

This bill will—

1. Authorize a 14-month program, from May 1, 1961, through June 1962, to permit States to aid needy unemployed persons and their children who are not now eligible for aid in which the Federal Government participates.

2. Use the same matching formula as is used in the present Federal-State aid to dependent children.

3. Require the State agency administering the expanded aid to dependent children program to enter into cooperative arrangements with the State agency administering the public employment offices in order to try to obtain employment for the parent.

4. Require that State welfare agencies enter into cooperative arrangements with the State vocational education agency for retaining unemployed parents.

5. Give the States the option to exclude from the benefits of the bill individuals who are receiving unemployment compensation.

6. Extend until 60 days after the close of the next regular session of the legislature, the effective date of the Flemming ruling which would have denied Federal matching funds to States who have terminated assistance to children in a home determined to be unsuitable unless the State makes other provisions for the children affected.

7. Allow the States the option of bringing needy dependent children under the program where a court of competent jurisdiction finds that the children are not receiving proper care and protection in their own homes and gives responsibility to the State agency to place them in approved foster family homes.

8. Increase from 80 to 100 percent Federal financing of grants for training of public welfare personnel from July 1, 1961, through June 30, 1963.

9. Authorize the use of appropriations to the Department of Labor for its administration of the employment security program to pay costs involved in borrowing State employment security personnel for the recently enacted Temporary Extended Unemployment Compensation Act.

10. Increase by $3 the maximum amount to which the Federal Government will participate, on a matching basis, in State programs carrying out the special medical care provision of 1960 for recipients of old-age assistance (from $12 to $15). Effective July 1, 1961.

11. Increase the $9 million overall ceiling on public assistance grants to Puerto Rico—by $75,000 for fiscal 1961 an by $300,000 for fiscal 1962.

12. Include all States, Puerto Rico, Virgin Islands, District of Columbia, and Guam.

Federal unemployment compensation extension

H.R. 4806—Public Law 87-6, approved March 24, 1961:

To help ease the unemployment problem throughout the country, Congress authorized Federal advances to permit the States to extend unemployment benefits up to an additional 13 weeks for workers who have exhausted their regular benefits during the recession, thus providing an unemployed worker with benefits up to a total of 39 weeks.

These additional payments are to be made available to unemployed workers who have exhausted their benefit rights under a State program after June 30, 1960, and before April 1, 1962.

It provides for financing by advances from the Treasury which will be repaid by a temporary increase in the net Federal unemployment tax of four-tenths of 1 percent on the existing wage base of $3,000, effective for calendar years 1962 and 1963.

The act requires that temporary unemployment compensation be reduced by amounts received as a retirement pension or annuity under a public or private retirement plan provided, or contributed to, by a base period employer. Thus an individual would not be permitted to receive unemployment benefits under the bill, without reduction for retirement benefits, if both types of payments arise by reason of service for the same employer.

The statutory limitation on amounts which may be granted to States for administration of their unemployment security systems is increased to $385 million (from $350 million) for the fiscal year ending June 30, 1961, and to $415 million for the fiscal year ending June 30, 1962.

The agency administering the State law is required to furnish the Secretary of Labor information relating to the personal characteristics, family situation, and employment of background of individuals entitled to temporary extended unemployment compensation under this act (on a sample basis).

ICC—Loan guarantee

H.R. 1163—Public Law 87-16, approved April 1, 1961:

This law extends for 27 months (to June 30, 1963), the time during which the Interstate Commerce Commission can help ease the credit difficulties of the railroads by guaranteeing loans made by private or public institutions to railroads in economic distress.

The guaranty is limited, however, to capital improvement and maintenance loans maturing within 15 years.

Railroad unemployment insurance extension

H.R. 5075—Public Law 87-7, approved March 24, 1961:

Congress unanimously approved additional temporary unemployment benefits to unemployed railroad workers who have after June 30, 1960, and before April 1, 1962, exhausted all their rights to benefits under the Railroad Unemployment Insurance Act.

The maximum number of additional days would be 65 (13 weeks), but these benefits cannot exceed in any individual case 50 percent of the amount of unemployment benefits which could be paid to the unemployed worker in the benefit year.

The act authorizes the Treasury to provide in advance the funds needed to pay for these temporary benefits, estimated to be $24 million. It adds temporarily, for the years 1962 and 1963, one-quarter of 1 percent to the rate of contribution now required of railroad employers to pay for the benefits regularly provided. These advances will be repayable primarily from the additional money contribution.

Small business increase

H.R. 8922—Public Law 87-198, approved September 5, 1961:

This measure increases by $20 million the amount that the Small Business Administration may commit for loans under their regular basis loan program. This will enable SBA to continue its business loan program without interruption for approximately 1 month.

Small Business Act amendments

H.R. 8762—Public Law 87-305, approved September 26, 1961:

Increases the Small Business Administration's revolving fund by $105 million to enable the agency to operate its lending programs through fiscal year 1962. The bill also provided for SBA, the Defense Department, and the General Services Administration to develop cooperatively within 90 days a small business subcontracting program. Before the Defense Department and GSA officials promulgate any subcontracting regulations, they must seek the concurrence of SBA. Should SBA not concur, the issue must be referred to the President.

Small Business Investment Act amendments

S. 902—Public Law 87-341, approved October 3, 1961:

The Small Business Investment Act of 1958 was designed to increase the supply of long-term loans and equity capital for small-business concerns. It provided incentives for private investors to form small-business investment companies, licensed and regulated by the Small Business Administration, to supply venture capital and long-term loans to small businesses. It authorized SBA to make loans to State and local development companies engaged in lending to small businesses.

Amends the Small Business Investment Act of 1958. Major changes in the act are:

1. The amount of subordinated debentures of a small business investment company which the Small Business Administration may purchase was increased from $150,000 to $400,000.

2. The amount of its capital and surplus that a bank may invest in an SBIC was increased from 1 percent to 2 percent.

3. The amount of section 303(b) loans which SBA may make to an SBIC was set at $4 million, provided funds are not available from private sources.

4. The amount of funds from any source which an SBIC may furnish to a business concern was fixed at $500,000. A larger amount will require SBA approval.

5. SBA was given authority to institute administrative proceedings to suspend licenses of SBIC's for violation of the act or regulations.

6. SBA's revolving fund SBIC operations was increased by $75 million.

EDUCATION

College housing

S. 1922—Public Law 87-70, approved June 30, 1961:

Increased the loan authorization for college housing by $300 million for each of the 4 years beginning July 1, 1961, through 1964, and increased the limitation for other educational facilities by $30 million for each of the same 4 years.

Education of Blind Act amendment

H.R. 9030—Public Law 87-294, approved September 22, 1961:

Authorizes wider distribution of books and special instruction materials for the blind by increasing the appropriations and the functions of the American Printing House for the Blind.

Federal aid to education

S. 1021—Passed Senate May 25, 1961:

The Senate, by a vote of 49 to 34, passed the Federal Aid to Education Act providing a 3-year program of Federal grants to the 50 States, the District of Columbia, Puerto Rico, Wake Island, Guam, American Samoa, and the Virgin Islands to help local school districts support their public elementary and secondary schools.

Eight hundred and fifty million dollars is authorized to be appropriated in each year of the program (a total of $2,550 million) and the Federal funds may be used by the local school districts of the States and outlying possessions for the following purposes:

1. Employment of additional public school teachers and increase of teachers' salaries.

2. Construction and equipping of public school facilities.

3. Other maintenance and operating costs of public elementary or secondary schools.

4. Special educational pilot, demonstration, or experimental projects as determined by the State educational agencies.

The allotment of Federal funds among the States follows an equalization formula which is based on the States relative number of school-age children (5 to 17, inclusive) and relative income per pupil.

Adequate safeguards to insure State and local control of public education were included by providing that "in the administration of this title (1), no department, agency, officer, or employee of the United States shall exercise any supervision or control over the policy determination, personnel, curriculum program of instruction, or the administration or operation of any school or school system."

The bill provides that States shall distribute Federal funds for employing more teach-

ers and raising teachers' salaries, school facilities construction, and other maintenance and operating costs, to local school districts whose needs in these areas are greatest and which are least able to finance the costs. Provision is made for a hearing before the State education agency for any local school district whose application for Federal funds is denied by the State agency.

The bill makes provision for reduction, not exceeding one-third of the total for any year, of a State's allotments in the second and third years of the program, in case local and State support for public school financing is not maintained and improved, apart from Federal aid funds received under the program.

The bill provides that up to $150,000 a year of a State's allotment may be used for State agency administrative costs under the program.

Title II of the act provides for continuation of both Public Laws 815 and 874 as currently in effect for a period of 3 more years. These laws are also extended to cover American Samoa. Finally, provision is made for a full report of the operation of these laws, as continued, including an analysis of the relation between Federal payments under these laws and those under title I of the act.

Impacted areas-NDEA extension

S. 2393—Public Law 87-344, approved October 3, 1961:

This measure—

1. Extends for 2 years, until June 30, 1963, Federal assistance to help build schools in districts burdened with substantial increases in their school memberships due to Federal activities, and authorizes an additional $20 million for this purpose.

2. Extends for 2 years, until June 30, 1964, the provisions of the National Defense Education Act, passed in 1958, to stimulate a nationwide effort to strengthen instructions in science, mathematics, and modern foreign languages by authorizing (1) payments to States to acquire needed laboratory and other special equipment for use in providing this instruction and to remodel laboratory or other space used for such equipment; (2) payments to States to expand and improve supervisory services in public elementary and secondary schools in the three above fields; and (3) loans to private nonprofit elementary and secondary schools for the same types of special equipment and remodeling for which grants to States may be made.

Juvenile Delinquency Act of 1961

S. 279—Public Law 87-274, approved September 22, 1961:

This measure is a 3-year program, 1962-64, designed to combat juvenile delinquency by—

1. Authorizing grants or contracts to States and municipalities and other public and nonprofit agencies, including institutions of higher learning or research, to be used to demonstrate and develop improved methods to prevent, control, and treat juvenile delinquency. Grant recipients must contribute money, facilities, or services as required by the Secretary.

2. Authorizing grants or contracts with States, municipalities, public and private nonprofit agencies, including institutions of higher learning to be used to train personnel, develop courses, fellowships, and traineeships, with travel and subsistence allowances as determined necessary by the Secretary of Health, Education, and Welfare. Grant recipients must contribute money, facilities, or services.

3. Requiring the Secretary to make studies, investigations, and report his evaluation of the effectiveness of the program. The Secretary is required to cooperate with and give technical assistance to the recipients, and provide short-term training and instruction in technical matters relating to the program.

4. Authorizing the Secretary of HEW to appoint technical or other advisory committees to advise him on the administration of the act.

5. In addition to the 50 States, the act will cover the District of Columbia, Virgin Islands, Puerto Rico, and Guam.

6. Authorizing an annual appropriation of $10 million for all programs.

Library facilities and services

S. 464—Passed Senate June 29, 1961. Pending in House Judiciary Committee:

This measure amends the Library Services Act of 1956, to grant the consent of Congress (as required by Congress) for States to enter into a compact or agreement with each other to develop or operate library facilities and services.

Migratory farmworkers—Educational opportunities

S. 1124—Passed Senate August 25, 1961. Pending in House Education Committee:

Authorizes a 5-year program to aid in the education of the children of migratory workers. The Federal Government will pay 100 percent of the program the first 2 years and the States and Federal Government will match costs for the next 3 years. Federal assistance will be given the States to help defray costs for education during the regular school session; the child must attend school in a State for at least 5 days before assistance would be available; $300,000 would be provided annually for summer schools for migratory children; $250,000 would be granted annually to provide interstate planning and coordination of the educational program; $200,000 annually would be authorized to help pay for pilot projects for fundamental, practical education for adult migratory workers. The program would be administered by the U.S. Commissioner of Education.

The trend in library work is to larger units of service—for example, centralized book purchasing and cataloging for an entire region—in order to utilize available resources in the most economical and efficient manner. Such cooperative arrangements are of the greatest importance in raising the level of library service throughout the country. It is only through such arrangements that some of the smaller States and some of the less populous ones can afford to provide the library resources and services that they should and they want to provide. The interstate compacts will serve as the means to develop and enlarge the scope of the services that libraries can render to the people of the Nation.

Scholarships—Eligibility

S. 539—Public Law 87-153, approved August 17, 1961:

Permits legally classified American nationals to qualify and receive financial assistance under the Fulbright Act for advanced education abroad.

The original act limited this aid to American citizens. However, through inadvertence or by an interpretation of the statute, the people of American Samoa were not considered American citizens and, as a result, could not qualify for or receive financial assistance to continue their education abroad, as originally contemplated by the act.

By removal of this barrier, it is possible for these people to qualify in the same manner as other American citizens who pursue advanced education abroad.

Training for teachers of deaf

S. 336—Public Law 87-276, approved September 22, 1961:

This act establishes a 2-year program to assist in training additional teachers for the deaf. It authorizes appropriations of $1.5 million annually to higher education institutions which are approved as training centers for teachers of the deaf.

Provides for grants-in-aid to assist in providing and improving courses of training and study and to establish scholarships for qualified persons who wish to enroll in these training courses.

Provides for an advisory committee, composed of persons with special knowledge and interest in training teachers of the deaf and in teaching deaf children, to review the program and applications for grants-in-aid.

The national shortage of classroom teachers of the deaf began during World War II and has become more acute each year. It is the task of the teacher of the deaf to bridge the gap between the deaf child's world of silence and the world of sound and hearing, the world of language and speech. The success with which a deaf child is able to bridge this barrier, to develop language and proportionately to minimize his great educational handicap, depends upon the skill, the understanding, and the professional training of his teacher.

TV—Education

S. 205—Passed Senate March 21, 1961. H.R. 132—House Calendar:

The measure authorizes a 5-year program grant to the States and the District of Columbia to establish or improve the educational television broadcasting facilities in our public schools, colleges, and in adult training programs. The Federal aid, however, can be used only to provide the equipment needed for television broadcasting, including closed circuit television, and the group and the States must provide the buildings and the land required. No one State may receive more than $1 million in grants.

Requires applicants to provide assurance satisfactory to the Commissioner of Education that necessary funds will be available to operate and maintain the facilities.

Grants assurance that the Commissioner of Education will not have any control over television broadcasting, nor can he amend any provision or requirement under the Federal Communications Act.

Requires each participant to maintain records as prescribed by the Commissioner, including a full disclosure of the amount of aid received and the manner in which it was used. In addition, the recipient must disclose the amount and sources of other aid used in the operation of the facility.

War orphans education extension

H.R. 3587—Public Law 87-377, approved October 4, 1961:

This measure provides additional time within which certain children may complete a program of education under the War Orphans Educational Assistance Act of 1956. The class of eligibles afforded additional time is limited exclusively to persons whose opportunities for an education under the act have been impaired by virtue of their residence in the Republic of the Philippines.

Additional time will be available to a person who had not reached his 23d birthday on June 29, 1956, and resided in the Philippines during all or part of the period June 29, 1956, through June 18, 1958.

The 1956 act provided that the educational assistance could be afforded only to an eligible person enrolled in a school or other educational institution in the United States, its territories, or possessions. This provision prohibited eligible persons residing in the Philippines from receiving assistance under the program while enrolled in a Philippine educational institution. In 1958, Congress removed this barrier by permitting the eligible orphans to pursue their educational program in their home country, but failed to grant the additional entitlement of 36 months to make up the original 5-year grant.

FEDERAL EMPLOYEES

Air Force officers—Promotion

H.R. 7809—Public Law 87-194, approved September 1, 1961:

Provides a temporary program for promotion for all active duty Air Force officers be-

low the grade of colonel. The program would continue until June 30, 1963; up to 4,000 promotions could be made for the grade of lieutenant colonel and 4,000 promotions could be made to the grade of major. This would cover about 80 percent of those in the promotion zones for these grades.

Armed Forces house trailers allowance

H.R. 2732—Public Law 87-374, approved October 4, 1961:

Authorizes Department of Defense to set allowances, up to 36 cents a mile for transporting house trailers of members of the Armed Forces.

Coast and Geodetic Survey Commissioned Officers Act

S. 685—Public Law 87-233, approved September 14, 1961:

Improves the Coast and Geodetic Survey Commissioned Officers Act of 1948 by offering inducements to qualified scientists and mathematicians to join the service. Temporary promotions would be granted if necessary or desirable by the Secretary of Commerce; there could be retirement benefits received after 20 years of service instead of the present 30 years; promotions from permanent grade of ensign may be temporarily made by the President to the grade of lieutenant junior grade whenever vacancies exist, as well as personal fringe benefits.

General of the Army Eisenhower

S. 1173—Public Law 87-3, approved March 22, 1961:

At the request of President Kennedy, former President Eisenhower is restored to his military rank of General of the Army.

General Eisenhower, in lieu of his military pay and allowances, will receive the compensation and other benefits conferred on former Presidents of the United States by an act of Congress in 1958. The compensation, as former President, is $25,000 a year for life, plus an additional $50,000 a year for an office staff, suitable office space, and the franking privilege.

The 1958 act also entitles the widow of a former President to $10,000 a year, upon waiver of any annuity or pension right provided by the Federal Government.

Government employees—Retirement

H.R. 6141—Public Law 87-299, approved September 26, 1961:

This measure continues, clarifies, and strengthens the prohibition contained in the act of September 1, 1954, against the payment of a civilian annuity or military retired pay to any person who has committed an offense against the national security of the United States or who refuses to testify before a duly constituted judicial or congressional proceeding on a matter relating to national security.

Restores civilian annuity benefits and military retired pay, including survivorship benefits to a number of widows and children, which, under the 1954 act, had been denied because of committing a variety of offenses not related to national security.

National Guard employees

H.R. 4785—Public Law 87-224, approved September 13, 1961:

Authorizes the Federal Government to pay the employer's share of the costs of retirement plans which are entered by civilian employees of the National Guard. Also authorizes withholding the employees' contribution from the salaries of these same employees when they enter State or territorial sponsored plans providing retirement, disability, or death benefits. At present the Government provides withholding services for these employees only if they are participating in State retirement systems.

Oversea teachers' pay

S. 841—Public Law 87-172, approved August 30, 1961:

This measure—

1. Amends a provision of the Defense Department Overseas Teacher's Pay and Personnel Practices Act, which authorizes payment of allowances during summer recesses to oversea Defense Department teachers when they have agreed in writing to serve for the next school year. Existing statute requires that, if for any reason a teacher does not report for duty at the start of the next school year, he must repay his summer allowance. This measure permits him to retain it if the cause of his failure to report for duty (death, serious illness) is considered valid by the Defense Department.

2. Also makes uniform the definition of "year" as "school year" rather than as "twelve months," to correct certain administrative confusion.

Panama Canal Company

H.R. 3156—Public Law 87-252, approved September 16, 1961:

Provides the Panama Canal Company with immunity from attachment or garnishment of salaries owed to its employees in order to protect the Company from having to process a large number of salary levies because of overextended credit to low-income employees of the Company by local merchants.

Postal employees—Retention benefits

H.R. 7043—Public Law 87-270, approved September 21, 1961:

This bill extends to employees in the postal field service the same salary retention protection in cases of reduction in grade as provided employees under the Classification Act since 1956.

It validates certain statutory salary increases made pursuant to Civil Service Commission regulations but ruled improper by the General Accounting Office.

And it also makes ineligible for salary retention protection certain employees whose reduction in grade results from a temporary promotion to a higher grade.

Under this bill (and the Classification Act since 1956) an employee whose reduction in grade level is not the result of a demotion for personal cause, is not at his own request, and is not the result of a reduction in force due to a lack of funds or curtailment of work, will continue to receive his former rate of pay for a period of up to 2 years following the date his position is reduced to a lower grade level. However, the bill does require that the employee must have served for 2 continuous years in the postal field service at the same or a higher salary and that his work at all times during the period was satisfactory or better.

Reservists—Travel allowances

H.R. 4786—Public Law 87-164, approved August 25, 1961:

Makes uniform for all Reserve personnel, either on active duty or inactive, with or without pay, the allowances for transportation as specified under the Career Compensation Act, section 303(a). Now, Reserve personnel ordered to training duty without pay are not authorized the travel allowances provided for other Reserve personnel.

Retirement eligibility—Minority service

H.R. 6597—Public Law 87-165, approved August 25, 1961:

Nullifies a decision made by the Comptroller General stating that service performed prior to the minimum statutory age for enlistment does not count in determining retirement eligibility. This decision, if it were enforced, would create hardships for any already retired personnel whose service might be ruled insufficient to receive retirement benefits. Also each retirement case might have to be considered separately due to varying statutory age minimums over the years.

Retirement fund—Interest rate

S. 739—Public Law 87-350, approved October 4, 1961:

Provides a method of fixing a fair and equitable rate of interest on money borrowed by the U.S. Treasury from the civil service retirement and disability fund. Now the interest is equal to the average coupon rate borne by all marketable interest-bearing obligations of the United States that are not callable for 5 years. The new method would make investments callable in 4 years at which time the Secretary of the Treasury may then reinvest in other interest-bearing obligations of the United States with interest rates currently being paid in the open market for new borrowings. Investors in the retirement fund will be benefiting from more current interest rates paid by the Government.

Retirement increases—Permanent

H.R. 5432—Public Law 87-114, approved July 31, 1961:

This measure authorizes the use of the civil service retirement and disability fund to pay increases in annuities and survivorship benefits.

Cost-of-living increases were granted to certain retirees and survivors who, on August 1, 1958, were receiving or were entitled to receive annuities based on service which terminated prior to October 1, 1956. When the measure was enacted, it provided that initially the increases should be paid from the civil service retirement and disability fund but that on and after July 1, 1960, the increases would terminate unless Congress appropriated funds to cover the cost. Thus the increases provided by the 1958 act are on a year-to-year basis, fully dependent on an annual appropriation for their continuance. Funds have been provided each year and, under present economic conditions, there is no prospect of abolishing the increases in the foreseeable future. Thus the Civil Service Commission recommended that the increases be made permanent and paid from the civil service retirement and disability fund, which this bill does.

Rural carriers—Equipment allowance

S. 189—Passed Senate July 27, 1961. Pending in House Post Office and Civil Service Committee:

Increases the basic equipment allowance for rural mail carriers from 10 cents a mile or $3.50 a day to 12 cents a mile or $4.20 a day, whichever is greater. This allowance is intended to amortize the equipment used by rural carriers, cover insurance rates, buy oil and gas, etc. Only one increase for rural mail carriers has been made in 10 years, not enough to cover the rising cost of upkeep for their equipment.

Scientific and supergrade increase

H.R. 7377—Public Law 87-367, approved October 4, 1961:

Authorizes an additional 480 supergrade positions and 280 additional scientific positions for the executive branch.

The supergrades are GS-16, GS-17, and GS-18. Three hundred and fifty-six of the supergrades are authorized for the general pool of the Civil Service Commission to be allocated to the various agencies where justified and needed. Fifty may be allocated only upon approval of the President and for agencies or functions created after the effective date of this act, 14 may be allocated only to the U.S. Arms Control and Disarmament Agency when created, 4 may be allocated only to the Federal Home Loan Bank Board, and 6 may be allocated only to the Immigration and Naturalization Service of

the Department of Justice, 35 for the Department of Defense, and 15 for the National Security Agency of the Department of Defense.

In the area of scientific-type positions, 80 such new positions are provided for the Department of Defense, 13 for the Federal Aviation Agency, and 4 for the National Aeronautics and Space Council. However, with reference to NASA, 65 such new positions may be established on or before March 1, 1962, 35 more beginning March 1, 1962, and ending June 30, 1962, plus 35 more after July 1, 1962, or an aggregate of 135 such new positions. The salary range for the new scientific and professional positions will be from $12,500 to $19,000 a year, except (1) the maximum salary for the 13 new positions for FAA will be $19,500, and $21,000 maximum for 17 new positions in NASA.

Servicemen's Family Protection Act

H.R. 6668—Public Law 87-381, approved October 4, 1961:

This bill amends the Uniform Services Contingency Option Act of 1953, which provided a means whereby the military member could elect to receive a reduced amount of retired pay in order to provide for certain payments to his survivors. Prior to the 1953 act military personnel could not share their retirement income with their survivors. However, existing law has disclosed some deficiencies and inequities which are being corrected in this bill. A few of the major changes are:

New rule for entering the system: Provides that a person may elect at any time before he is retired or granted retired pay provided he makes the election 3 years before he is retired (existing law requires an election prior to the time he has completed 18 years' service).

Changes or revocations: Reduces to 3 years from 5 the period required before a change or revocation of the election can be made.

Void elections: To correct certain administrative deficiencies, if an election is made and found to be void for any reason except fraud or willful intent of the member a corrected election may be resubmitted within 90 days after he is notified in writing that the first election is void.

Fifty-percent limitations: To correct complicated formulas required in existing law, this bill permits the election of any annuity up to 25 percent of the retired pay for a wife and another in the same amount even though the combined amounts exceed 50 percent of the member's retired pay provided that each annuity computed separately does not exceed 25 percent of the reduced amount. In other words, under this bill a member may provide an annuity that will be in excess of one-half of his reduced retired pay.

Spouse and children: Authorizes the election of annuities as between a surviving spouse and children of the deceased by any other marriage.

Withdrawals: Grants discretionary authority to the Secretaries to permit a retired member to withdraw from the contingency option program where his continued participation would violate equity and good conscience.

Suits against Federal employees

H.R. 2883—Public Law 87-258, approved September 21, 1961:

The purpose of this bill is to protect Government employees from personal liability for accidents occurring within the scope of their employment. Under existing law, Federal maritime employees have such protection; thus, this bill provides equal treatment of the nonmaritime Government employees.

Suits against the United States will be the exclusive remedy for damages resulting from operation by any Government employee of any motor vehicle while acting within the scope of his employment. Suits brought against the individual employee in such cases will be removed to the Federal court and be deemed a tort action against the United States.

Travel expenses of Government employees

H.R. 3279—Public Law 87-139, approved August 14, 1961:

Increases the allowances of Government employees (judicial and senatorial employees included) for traveling expenses when on official business. Increases include: from $10 to $16 per diem allowance for regular full-time employees for normal official trips; in unusual circumstances the travel authorization may be up to $30 per diem from $25 per diem; from 10 cents to 12 cents per mile allowance for use of privately owned automobiles or airplanes; up to $10 beyond the per diem regulations when travel is beyond the continental United States. Also adds parking fees as an item for reimbursement when incurred in official travel status; raises the authorized maximum per diem for certain State Department advisory committees to a par with other Government officials; and permits the President to establish per diem rates for travel outside the continental United States.

Transportation of remains

S. 1458—Passed Senate July 7, 1961. Pending in House Post Office and Civil Service Committee:

This measure corrects a discrepancy in existing statute which authorizes the Government to pay the expenses of transporting home the remains of a deceased dependent of a Federal employee stationed in Alaska or Hawaii, but does not authorize payment for the expenses of transporting home the remains, effects, and family of an actual employee who dies while stationed in Alaska or Hawaii. This discrepancy arises from the passage of Alaska and Hawaii from the status of territory to that of State. This measure authorizes payment of expenses for deceased employees which have not been permitted since Alaska and Hawaii became States, and is retroactive to that time.

Transportation of effects of retired members

H.R. 4321—Public Law 87-140, approved August 17, 1961:

Authorizes the Government to pay for transporting the personal effects and household needs of retired members of the armed services to a place other than that originally selected if the former member pays for any excess charge over and above the original shipping. It also authorizes shipping household items wherever a surviving dependent may designate if the retired member dies prior to moving his dependents and shipping his household goods to a selected home.

U.S. attorneys

S. 1488—Passed Senate July 27, 1961. Pending in House Judiciary Committee:

To equalize job opportunities, this bill makes the salary scale identical for attorneys in the Justice Department at the seat of government and for those attorneys working in the field. Under present laws those lawyers at the seat of government are paid under the Classification Act of 1949 at a lower salary than field attorneys or U.S. attorneys.

The $20,000 limitation for U.S. attorneys is retained.

War Hazards Compensation Act

H.R. 4357—Public Law 87-380, approved October 4, 1961:

Provides a 15-percent increase in the level of benefits payable under the War Hazards Compensation Act of 1942, relative to injuries or deaths prior to July 1, 1946. The War Hazards Act is a part of the Federal workmen's compensation system applicable to employees employed by Government contractors, and who work outside the United States.

The 15-percent increase, however, applies only to disability and death payments, payable for periods on or after the date of enactment.

It is estimated that the increase will cost about $720,000 for the life of the program; however, the present war claims fund from which these benefits are paid shows a surplus of about $832,000.

FINANCE

Bureau of the Mint statutes

S. 2130—Passed August 21, 1961. Pending in House Banking and Currency Committee:

Deletes from the statutes references to certain mints and assay offices which no longer exist. Also changes the name of the San Francisco Mint to the assay office at San Francisco, since the minting of money was discontinued in 1955 and has been an assay office since 1957.

Business records—Reproductions

H.R. 3227—Public Law 87-183, approved August 30, 1961:

Amends a section of the United States Code which will allow the reproduction of files kept in banks pertaining to transactions in trust or custodial accounts. The reproduction will be on microfilm and admissible in court. Many other files are now microfilmed but, due to a provision of the 1951 law, such trust and custodial accounts had to be kept in the original—creating a serious storage problem.

Dissolution of Federal Facilities Corporation

H.R. 7864—Public Law 87-190, approved August 30, 1961:

Dissolves the Federal Facilities Corporation established in 1954 to administer the disposal programs under which the synthetic rubber facilities and the Texas City tin smelter were sold. Now most of this property is disposed of and the remaining functions deal with the enforcement of the national security clauses contained in agreements of sale under the rubber disposal program. The remaining functions of the FFC would be taken over by the General Services Administration. Any claims outstanding against the FFC would be recognized and settled after the dissolution which will take place on September 30, 1961.

Domestic lead, zinc, mercury industries

Senate Resolution 206—Senate adopted September 23, 1961:

The Senate unanimously adopted this resolution directing the U.S. Tariff Commission to make investigations of the present conditions in the lead and zinc industry and in the mercury, manganese, cobalt, and beryllium industries and report to Congress (next session).

Duty-free allowance reduction

H.R. 6611—Public Law 87-132, approved August 10, 1961:

As a part of the balance-of-payments program, Congress has authorized, for a 2-year period to July 1, 1963, a reduction from $500 to $100 the amount of purchases abroad that a returning resident of the United States may bring in duty free. However, because of the new program to promote tourism in the Virgin Islands, an additional $100 will be permitted tourists returning from the Virgin Islands, thus totaling $200 in this instance.

Electron microscopes—Duty free

H.R. 3385—Public Law 87-95, approved July 20, 1961:

Amends the Tariff Act of 1930 to permit free entry of electron microscopes into this country, when imported for use by nonprofit research or medical institutions.

Federal Home Loan Bank directors

H.R. 8277—Public Law 87-211, approved September 8, 1961:

Simplifies the election system of the Federal home loan bank directors to abandon the division of directors into classes (large,

medium, and small districts and directors at large) and replaces it by election of directors by State. At least one director will be elected from each State with any extra vacancies distributed in proportion to the amount of shares of stock held by the Federal home loan banks; each district to have the same amount of directors as under the present system. No State is to have more than six directors, and all States are entitled to as many as they had as of December 31, 1960. The electors in each State will be the member institutions of that State; the number of votes will be equal to the number of shares of stock held. No director can serve more than three consecutive terms; appointments of directors can be made if there was a vacancy in the elective directorship or temporarily if a new bank is being organized.

Federal Reserve Bank building

S. 1005—Passed Senate August 23, 1961. Pending in House Banking and Currency Committee:

Amends the Federal Reserve Act to require the approval of the Board of Governors of the Federal Reserve System for the erection of any branch bank of the Federal Reserve. Under the current provision, branch banks can only be built at costs up to $250,000, which would come from a total construction fund of $30 million made in 1953. This fund is almost exhausted, and the costs of construction have made $250,000 an insufficient amount to complete a project. Any construction costs approved by the Board would be amortized out of the earnings of the Federal Reserve over a period of years.

Federal Savings and Loan Insurance Corporation

H.R. 7108—Public Law 87-210, approved September 8, 1961:

Strengthens the Federal Home Loan Bank Act and the National Housing Act by increasing the reserves and cutting the overcapitalization of the Federal Savings and Loan Insurance Corporation, which was created as a reserve credit facility for savings and home mortgage credit institutions. A prepayment equal to 2 percent of the annual net increase of the accounts of its insured members is required. This prepayment would be used to establish a primary (general) reserve and a secondary reserve. When the aggregate of these reserves reaches 2 percent of the total amount of all accounts of insured members and creditor obligations, the payments will cease, unless the reserves should fall below 1.75 percent. If the primary reserve reaches 2 percent, the Corporation would pay to each insured institution the amount of its share of the second reserve. The one-twelfth of 1 percent annual premium paid by all member institutions would remain the same. The members will be required to purchase stock for only 1 percent of the amount of the outstanding home mortgages and other obligations; now they are required to purchase stock for 2 percent of the unpaid principal.

Metal scrap—Import duties

H.R. 4591—Public Law 87-110, approved July 26, 1961:

This act extends for 1 year, to June 30, 1962, the existing suspension of import duties on metal scrap, which includes such principal types of scrap as iron and steel, aluminum, magnesium, nickel, and nickel alloys.

This measure also provides for the free entry of horsemeat, fresh, chilled, or frozen, when imported in immediate containers weighing, with their contents, 10 pounds or more. This suspension is required to help meet the increasing demands for horsemeat now being used in making foods for dogs and other pets, to feed mink and other fur-bearing animals, a use which has just developed in the last few years.

National bank branches in foreign countries

S. 1771—Passed Senate August 21, 1961. Pending in House Banking and Currency Committee:

Permits national bank branches in foreign countries to exercise the usual banking powers of banks of the foreign country in which the branch is located. This is necessary for the banks to better compete in methods of loans, bank guarantees, and public securities which may be peculiar to a particular foreign country and which existing regulations for the foreign branches do not cover.

National banks—Service charges

S. 1486—Passed Senate August 21, 1961. Pending in House Banking and Currency Committee:

Permits the Comptroller of the Currency to establish reasonable maximum service charges on dormant accounts in national banks. This would prevent any excessive charges which might be made on accounts which are not active and thus do not require many services of the bank. The Comptroller would be expected to define the nature of dormant accounts and the types of activity carried out by the banks in regard to these dormant accounts.

Old series currency adjustment

S. 1619—Public Law 87-66, approved June 30, 1961:

To clear up old historical statutory currency and effect a savings of about $10,000 a day in interest charges, this measure was adopted unanimously by Congress.

Before July 1, 1929, the old large-size bills were issued. There are still a good many of them outstanding on the books of the Treasury, although many have been destroyed by fire, flood, or accidents of one kind or another, or are in the hands of collectors who value them more for their historical interest than as money. In addition, between June 30, 1929, and January 30, 1934, the date of the Gold Reserve Act of 1934, small-size gold certificates were issued to the public. About $12½ million of these small-size gold certificates are now outstanding.

This old series money is still outstanding on the Treasury's books as currency. This bill transfers these obligations to the non-interest-bearing public debt and, in the future, when any of these old series notes might be presented to the Treasury, they would be redeemed in full in new issues. In addition, the Secretary of the Treasury is authorized to write off from the books of the Treasury as much of the old series notes as he believes has been destroyed or irretrievably lost.

It also makes available for current use the security now backing up this old series currency which amounts to about $98.1 million in gold, silver, and other reserves for current use by the Government. This will reduce the Government's borrowing by some $98.1 million which amounts to some $3 to $4 million a year at current rates, thus effecting a saving of $10,000 a day.

Provision is made for maintaining a historical collection of these notes.

Puerto Rican Federal Relations Act

House Joint Resolution 124—Public Law 87-121, approved August 3, 1961:

This resolution amends the Puerto Rican Federal Relations Act to delete limitations on the public indebtedness of Puerto Rico and its municipalities and subdivisions contained in that act. The amendment takes effect when the Commonwealth constitution is amended to include provisions limiting the debt-incurring capacity of both the Commonwealth and its municipalities.

The present debt limit on the Commonwealth and its five most populous municipalities is 10 percent of the tax valuation of all property while on the remaining municipalities it is 5 percent. The Commonwealth officials hope to increase the debt limitations as a step toward securing funds to construct and improve educational facilities and a modern highway system.

Public debt increase

H.R. 7677—Public Law 87-69, approved June 30, 1961:

This measure will increase the public debt limit for 1 year from the statutory level of $285 billion, by $13 billion, to $298 billion. Since 1946, when the wartime statutory limit came down from $300 billion to $275 billion, the permanent limit has been increased twice, from $275 billion to $283 billion in 1958, and then to $285 billion in 1959. It has been increased temporarily (for 1 year) five times since 1954. This year's temporary increase of $13 billion compares with 1959's 1-year increase from $285 billion to $295 billion and 1960's increase from $285 billion to $293 billion.

Public debt—Reduce by gifts

H.R. 311—Public Law 87-58, approved June 27, 1961:

This act specifically authorizes the U.S. Government to accept gifts of money or other property which are to be used to reduce the public debt. It provides for deposit of cash gifts, or proceeds from sales of other gifts, in a special account on the books of the Treasury, and money in this account is to be used to retire obligations of the United States which are a part of the public debt.

Occasionally the U.S. Government receives gifts or money or other property made on the condition that the gift be used to reduce the public debt. However, the Treasury Department has no specific authority to use gifts it receives in this manner and, in the past, has been depositing them in the general fund of the Treasury. Thus, this act will permit the gift to be used as the donor designated.

GENERAL GOVERNMENT

American History Month

Senate Joint Resolution 22—Passed Senate August 14, 1961. Pending in House Judiciary Committee:

To create greater understanding and appreciation of our country's history and its heritage, this resolution designates the month of February of each year as American History Month.

The President is authorized to issue annually a proclamation inviting the people of the United States to observe this month in schools, churches, and other suitable places with appropriate ceremonies and activities.

American Patent System Week

House Joint Resolution 499—Public Law 87-292, approved September 22, 1961:

Authorizes the President to designate the week of October 15, 1961, as "The American Patent System Week," to commemorate the 125th anniversary (July 4, 1836) of the establishment of the U.S. Patent Office.

Antitrust Civil Process Act

S. 167—Passed Senate September 21, 1961. Pending in House Judiciary Committee:

Authorizes the Department of Justice to issue civil investigative demands requiring any person, other than a natural person, to produce documentary material for examination whenever the Department has reason to believe that the person may have material pertinent to a civil antitrust investigation. The civil demand must be in writing and must set forth the nature of the conduct constituting the alleged antitrust violations under investigation, as well as the applicable provision of the law. The material must be made available for inspection and reproduc-

tion at the principal place of business of the person from whom it is demanded.

This bill also provides that the demand may be tested in a district court where the person lives by filing a petition for an order of the court modifying or setting aside the demand. The tests for reasonableness and privilege of civil demands is the same as the test for subpenas duces tecum.

Antiobscene Commission

S. 162—Passed Senate June 12, 1961. Pending in House Education and Labor Committee:

This bill establishes a Commission on Noxious and Obscene Matters and Materials, consisting of representatives of the Senate, the House, the Post Office, Justice, and Health, Education, and Welfare Departments, State and local government, communications and mass media industries, education, and the clergy. The Commission would investigate methods of combating traffic in obscene materials, file a report and, after 60 days, cease to exist.

Civil defense activities

H.R. 8383—Public Law 87-390, approved October 4, 1961:

Legalizes approximately $1 million in contributions made by the Office of Civil Defense Mobilization to the States for emergency equipment and necessary activities in connection with civil defense activities.

Civil Rights Commission extension

H.R. 7371—Public Law 87-264, approved September 21, 1961:

Extends the Civil Rights Commission for 2 years, or until September 30, 1963.

Clean Elections Act of 1961

S. 2426—Passed Senate September 15, 1961. Pending in House Administration Committee:

To strengthen our present electoral system, the Senate has passed a clean elections bill which will—

Raise the limitations on campaign expenditures by congressional candidates to more realistic levels. A candidate for Senator or Representative at Large may spend $50,000 and a candidate for Representative or Resident Commissioner $12,500, or an amount equal to the higher of the following: (1) The amount obtained by multiplying 20 cents by the total number, up to 1 million, votes cast in the last general election for all candidates for the office which the candidate seeks plus the amount obtained by multiplying 10 cents by the total number of such votes over 1 million; or (2) the amount obtained by multiplying 20 cents by the total number, up to 1 million, persons registered to vote in the general election for the office which the candidate seeks, plus the amount obtained by multiplying 10 cents by the total number of such persons over 1 million. (Existing law allows $10,000 for Senator and $2,500 for the House plus an alternative formula of much less.)

Make campaign financing information available at the State level by requiring reports to be filed with different officials, particularly the secretary of state.

Repeal the Corrupt Practices Act of 1925 and substitute a more realistic law and makes numerous other changes in existing law and in new law.

Congressional Medal of Honor holders

H.R. 845—Public Law 87-138, approved August 14, 1961:

Proposes that persons awarded the Congressional Medal of Honor be placed on the honor roll at age 50 instead of the present requirement of 65. Authorizes a monthly pension of $100 instead of $10 as is now paid. Those who now hold the Medal of Honor would be paid this increased sum automatically, future holders would receive the increased amount at any time upon request. Thus greater recognition would be given to the holders of this honor.

Emergency evacuations

H.R. 2555—Public Law 87-304, approved September 26, 1961:

Provides permissive authority to the heads of Government departments, agencies, and establishments to allow civilians employed on duty at places outside the United States, or at other places the President may designate, under emergency conditions, to make allotments from their pay for the support of their families and to draw up to 30 days' advance pay, if necessary. This measure also provides for the continuance of pay of such civilian employees if they are required to evacuate their oversea places of duty under these conditions.

Employment of aliens by Department of Commerce

S. 2236—Passed Senate September 1, 1961. Pending in House Interstate and Foreign Commerce Committee:

Permits the Secretary of Commerce to employ aliens in a scientific or technical capacity which is now prohibited. There is precedent for this authorization since NASA, the Departments of Defense, State, and Agriculture may employ such persons. Investigations must be made to determine, before an alien is hired, if there are any qualified U.S. citizens to fill the positions available. Agencies of the Commerce Department have been faced with a general shortage of scientists and engineers in the United States; many of the specialized jobs required by these agencies demand training that is not offered in many schools in this country.

FCC documents

S. 683—Passed Senate February 16, 1961. Pending in House Interstate and Foreign Commerce Committee:

To eliminate excessive paperwork by the public and the Federal Communications Commission, this bill repeals the present requirement that, prior to submission, all annual and certain other reports, applications for construction permits, station licenses, modifications, or renewals must be notarized.

Fort Sheridan, Ill.

H.R. 7721—Public Law 87-160, approved August 25, 1961:

Authorizes the Secretary of the Army to relinquish any part of the legislative jurisdiction now held by the Federal Government to the State of Illinois over the land where Fort Sheridan Military Reservation is located. The jurisdiction particularly needed by the State is over the public civilian traffic on the State highway which crossed the military reservation; legally, the military patrols have no right to police civilian traffic.

General Von Steuben Memorial Day

Senate Joint Resolution 95—Passed Senate September 19, 1961. Pending in House Judiciary Committee:

Authorizes the President to issue a proclamation calling on Government officials and citizens to display the flag on September 17 in honor of Gen. Friedrich Wilhelm Von Steuben, the German military expert who instructed our forces at Valley Forge and Yorktown during the Revolution and who conceived the drill regulations and rules of order and discipline for colonial troops.

GSA—Special police

S. 541—Public Law 87-275, approved September 22, 1961:

This bill amends the act of June 1, 1948, by adding a new section to authorize the Administrator of General Services, or certain officials designated by him, to appoint employees of GSA engaged in investigative functions to act as nonuniformed special police. The Administrator of GSA contends that nonuniformed special police are required to protect property under the control of GSA. These employees would be empowered to enforce Federal laws to protect persons and property, and to enforce rules and regulations issued by the General Services Administrator for protection of such property. The policemen designated under this bill will be authorized to make arrests without warrant for any offense constituting a felony when committed on Government property if such police had reasonable grounds to believe that the person to be arrested is guilty of the offense.

At present the Administrator of GSA has authority to appoint uniformed guards as special police to protect Federal property. He is also authorized to appoint nonuniformed policemen to make investigations within the District of Columbia, but there is no authority for the appointment of nonuniformed police for duty outside of the District of Columbia.

Interfaith Day

Senate Joint Resolution 24—Passed Senate May 1, 1961. Pending in House Judiciary Committee:

This joint resolution designates the fourth Sunday in September of each year as Interfaith Day, and requests the President to call upon all Americans and religious groups to observe the day appropriately.

It is believed that the observance of such a day will encourage the mutual understanding of all the people of our country and will serve to call the attention of the rest of the free world to one of the fundamental principles upon which the Nation was founded.

Joint Committee on the Budget

S. 529—Passed Senate May 2, 1961. Pending in House Rules Committee:

This act provides Congress with the machinery necessary to enable it to meet its constitutional responsibilities in appropriating funds required to run the Government. This is accomplished by establishing a Joint Committee on the Budget composed of 14 members, 7 from the Senate Appropriations Committee and 7 from the House Appropriations Committee; 4 from the majority party and 3 from the minority party, each, to assist Congress in exercising adequate control over the expenditure of public funds by the executive branch of the Government.

The committee will provide the same kind of expert staff facilities and detailed technical information for the Appropriations Committees as the Budget Bureau does for the Executive.

Lincoln's first inaugural

House Joint Resolution 155—Public Law 87-1, approved March 1, 1961:

The first act signed into public law by President John F. Kennedy was a joint resolution commemorating with proper ceremonies at the U.S. Capitol on March 4, 1961, the 100th anniversary of the first inaugural of Abraham Lincoln.

Lincoln memorial, Indiana

H.R. 2470—Passed Senate, amended September 15, 1961:

Authorized an appropriation up to $1 million to establish a national park in Indiana, in memory of Abraham Lincoln. Lands will include Pigeon Creek Farm in Spencer County where Lincoln's mother is buried and the old Lincoln farm where Lincoln spent his youth.

Major disasters—Pacific islands

S. 1742—Passed Senate August 21, 1961. Pending in House Public Works Committee:

Authorizes assistance by the Federal Government to Guam, American Samoa, and the Trust Territory of the Pacific Islands in case of a national disaster; this would place these Pacific areas under the same law as benefits the States and local governments in time of disaster.

Medal—Dr. Thomas A. Dooley III

House Joint Resolution 306—Public Law 87-42, approved May 27, 1961:

Authorizes the President to award an appropraite gold medal, in the name of Congress, to the late Dr. Thomas Anthony Dooley III, in recognition of his services to the people of Laos and to peoples in other newly developing countries.

Medal—Bob Hope

Senate Joint Resolution 88—Passed Senate May 26, 1961. Pending in House Banking and Currency Committee:

Authorizes the President to present to Bob Hope, in the name of the people of the United States, a gold medal in recognition of his services to his country and to the cause of world peace.

Mine study

H.R. 8341—Public Law 87-300, approved September 26, 1961:

Authorizes the Secretary of the Interior to conduct a study of the causes of injury, health hazards, and unsafe working conditions in metal and nonmetallic mines, and to evaluate the programs and techniques necessary to provide safe and healthy working conditions in these mines.

National conventions

Senate Resolution 141—Senate adopted August 25, 1961:

Expresses as the sense of the Senate that national conventions should be held in September after Labor Day. With rapid communications and transportations it is felt to be unnecessary to prolong presidential election campaigns beyond the time needed to reach and appeal to the national electorate.

National Poison Prevention Week

House Joint Resolution 358—Public Law 87-319, approved September 26, 1961:

Authorizes the President to designate the third week in March as "National Poison Prevention Week" to encourage Americans to be more alert to the dangers of accidental poisoning.

National portrait gallery

S. 1057—Passed Senate July 27, 1961. Pending in House Administration Committee:

Implements Public Law 85-357 which authorizes the establishment of a section of the Smithsonian Institution to house the national collection of fine arts and a national portrait gallery of those who have made significant contributions to the history, development, and culture of the people of the United States.

This bill establishes a National Portrait Gallery Commission as a bureau of the Smithsonian Institution to provide biographical study and research for the gallery.

National Youth Appreciation Week

Senate Joint Resolution 49—Passed Senate July 20, 1961. Pending in House Judiciary Committee:

This resolution designates the 7-day period beginning on the second Monday of November of each year as Youth Appreciation Week, and requests the President to issue annually a proclamation calling upon the people of the United States to observe the week with appropriate ceremonies and activities.

The intent of the resolution is to stimulate more active participation by young people and their families in religious and civic activities, as a means of combating juvenile delinquency.

National Zoological Park

S. 2295—Public Law 87-360, approved October 4, 1961:

Authorizes appropriations for making improvements at the national zoo and places the direction of the improvements under the Regents of the Smithsonian Institution. The improvement program is not definite; whatever would be done would be reviewed by the Appropriations Committees. There is need for new cages and buildings (the newest one being 20 years old), a better traffic system, and other general improvements.

OCDM—Renamed

H.R. 8406—Public Law 87-296, approved September 22, 1961:

This measure renames the Office of Civil Defense Mobilization as the Office of Emergency Planning in order to describe more accurately its role in the Federal Government.

Pacific War Memorial

H.R. 44—Public Law 87-201, approved September 6, 1961:

Authorizes the appropriation of $150,000 to complete the construction of the chapel and memorial shrine of the U.S. Pacific War Memorial at Pearl Harbor. The memorial is to be located on the hulk of the U.S.S. *Arizona* and is to honor all personnel of our Armed Forces who died during the attack on Pearl Harbor. Three hundred and seventy thousand dollars has already been raised by public subscription and by appropriations from the State of Hawaii; they have been used in completing the first phase of the construction of the memorial. It is hoped that the memorial will be completed by December 7, 1961, which will be the 20th anniversary of the attack on Pearl Harbor.

Presidential office space

S. 51—Passed Senate July 7, 1961. Pending in House Public Works Committee:

Establishes a seven-member Commission on Presidential Office Space composed of legislative and executive representatives. It is authorized to draw up and oversee the plans and execution of the remodeling of the Executive Offices as recommended in a 1957 Presidential advisory report.

The facilities in the east and west wing of the White House would be improved for the use of the President's personal staff and also would provide some accommodations for visiting dignitaries. In the Old State Department there would be a more efficient planning of the now cramped office space, and also proposed would be a tunnel from these offices to the White House to provide quicker communication between the President and his executive staff.

Public buildings—Site procurement

S. 931—Public Law 87-277, approved September 22, 1961:

Amends existing statute which requires that in cases of procurement of sites for public buildings by the Government, the grantor of the site must furnish, at his own expense, all evidences of title required by the Attorney General. This requirement tends to discourage desirable property sales to the Government. Thus, this measure, by authorizing the Government to bear the expense of searching the title, will place the Government in a more equitable bargaining position.

Senior Citizens Month

Senate Joint Resolution 27—Passed Senate September 18, 1961. Pending in House Judiciary Committee:

Authorizes the President to designate May as "Senior Citizens Month" in honor of the contributions of older citizens to the American way of life.

Small Towns and Rural Counties Commission

S. 1869—Passed Senate May 26, 1961. Pending in House Government Operations Committee:

Establishes a 20-member bipartisan Commission on Problems of Small Towns and Rural Counties authorized to make a full and complete investigation and study of Federal policies and programs relating to the needs and problems of the Nation's smalltown and rural county areas. It is to study the needs, present and future, related to highways, public services, water resources, schools, recreation, financing, law enforcement, and business and industrial development.

The Commission is to determine the capabilities of State, county, and local government to meet the needs and seek means of improving coordination of Federal, State, county, and local policies. It is to investigate the possibilities of the Federal Government encouraging wider dispersal of Government procurement operations, the location of Federal facilities as well as other matters which may be of assistance in solving the various problems of, and promoting the social and economic well-being of the Nation's smalltown and rural county areas.

It is to report its findings and recommendations to the President and to Congress on or before February 1, 1963.

White House—Historic preservation

S. 2422—Public Law 87-286, approved September 22, 1961:

Provides for the administration and care of the White House, its surrounding grounds, and particularly the public rooms on its first floor, in accordance with the laws applicable to the National Park Service. It also provides a means whereby articles of historic and artistic value belonging to the White House will be under the custody of the Smithsonian Institution when they are not in use or on display in the White House itself.

Woodrow Wilson Memorial Commission

Senate Joint Resolution 51—Public Law 87-364, approved October 4, 1961:

Establishes the Woodrow Wilson Memorial Commission to consider and formulate plans for the design, construction, and location of a permanent memorial in Washington, D.C., or its environs, to Woodrow Wilson, the 28th President of the United States.

The membership is to be composed of: Former Presidents of the United States; two presidential appointees; two Senators appointed by the President of the Senate; two Congressmen to be appointed by the Speaker; and three members to be appointed by the President, one from each of the following—The Woodrow Wilson Foundation, the Woodrow Wilson Centennial Commission, and the Director of the National Park Service or his representative.

The members are to serve without pay but will be reimbursed for necessary expenses. The Commission is to report its plans and recommendations to the President and Congress at the earliest possible date.

HEALTH

Air pollution control study

S. 455—Passed Senate September 20, 1961. Pending in House Interstate and Foreign Commerce Committee:

Extends to June 30, 1966, and authorizes up to $5 million a year in appropriations for a continuation of the present study being conducted by the Surgeon General of the Public Health Service and the Secretary of Health, Education, and Welfare, in conjunction with various State agencies into the causes, effects, and ways to abate air pollution.

Community Health Services and Facilities Act of 1961

H.R. 4998—Public Law 87-395, approved October 5, 1961:

This measure expands and improves community health services and facilities for the health care of the aged and other persons by—

Increasing the availability, scope, and quality of community health services and facilities to assist in meeting the health needs of the chronically ill and aged;

Increasing and expanding research to more effectively develop and utilize hospitals and other medical care facilities;

Continuing grants to assist in the construction of health research facilities.

To accomplish the above objectives, this act—

Increases from $30 million to $50 million, for each of the next 5 years, the appropriation authorization for matching grants-in-aid to States to assist them in expanding their public health services for the chronically ill and aged.

Authorizes through June 30, 1966, up to $10 million annually in special project grants to public and nonprofit organizations for studies, experiments, and demonstrations of new or improved methods of providing health services outside hospitals, primarily for chronically ill or aged persons.

Increases for 3 years the annual appropriation authorization, from $10 million to $20 million, for grants-in-aid to States to construct public and other nonprofit nursing homes under the Hill-Burton program.

Liberalizes the eligibility criteria of rehabilitation centers for construction assistance under the Hill-Burton program, by requiring that rehabilitation centers, to qualify for Federal assistance, need to provide for medical services and either psychological, social, or vocational services. (Under existing law, all four are required.)

Amends the Hill-Burton Act to extend to June 30, 1964, the authorization for loans for construction of hospitals and other medical facilities.

Increases the annual appropriation ceiling for hospital research grants from $1,200,000 to $10 million, extends the program to medical facilities other than hospitals, and authorizes appropriations for grants for constructing and equipping experimental or demonstration hospitals and other medical facilities.

Amends the authority of the Surgeon General of the Public Health Service to make nonmatching grants of constructing health research facilities by permitting it to expire June 30, 1962.

Extends for an additional 1 year, until June 30, 1963, the matching grant program for constructing health research facilities, and increases the authorization from $30 million to $50 million a year.

HEW—Two Assistant Secretaries

S. 2073—Passed Senate July 27, 1961. Pending in House Interstate and Foreign Commerce Committee:

Establishes two additional Assistant Secretaries of HEW to aid the Secretary in carrying out activities of the Department. One of the additional Assistant Secretaries would be primarily responsible for assisting and advising the Secretary in the field of international affairs (developing U.S. foreign policies and programs in the field of international social affairs, representing the United States at international conferences, etc.).

The other one will be in charge of health and medical affairs.

Howard University—Freedmen's Hospital transfer

H.R. 6302—Public Law 87-262, approved September 21, 1961:

Authorizes transfer of the present Freedmen's Hospital to Howard University as a modern teaching hospital facility for Howard University, to assist the university in training medical and allied personnel, and to provide hospital services for the community.

Project Hope—Commendation

Senate Concurrent Resolution 8—Senate adopted April 3, 1961. Pending in House Foreign Affairs Committee:

Congress unanimously adopted this resolution expressing appreciation for the energy and initiative shown by Dr. William Walsh and his associates in the People-to-People Health Foundation, Inc., for their splendid work in behalf of Project Hope—the hospital ship serving as a floating medical training-teaching center for the purpose of bringing the latest medical skills to developing nations.

Practical nurse training

S. 278—Public Law 87-22, approved April 24, 1961:

Recognizing the essential role of practical nursing in aiding the ill, Congress extended the 1956 act for another 3 years (making a total of 8) providing Federal assistance on a matching basis for vocational education training programs for practical nurses.

Up to 1956, there had been similar programs in the fields of agriculture, home economics, trades and industry, distributive occupations, and fishing which have proved highly successful through the years.

An innovation in the present bill is that Congress has agreed to include Guam as a participant under the act. At present all of the States, the District of Columbia, Puerto Rico, and the Virgin Islands have practical nurse programs in operation—increasing from 7,000 participants in 1957 to 40,000 in 1960.

The limit set for Federal grants in the nursing program is $5 million which must be matched by the participating State.

HOUSING

FHA mortgage insurance increase

Senate Joint Resolution 89—Public Law 87-38, approved May 25, 1961:

This measure amends section 217 of the National Housing Act to increase by $1 billion the mortgage insurance authorization of the Federal Housing Administration. Section 217 contains the mortgage insurance authorization for all FHA programs, except title I home repair and improvement program and title VIII military housing program. At the present rate of use, it is estimated by the Federal Housing Commissioner that available authorization for FHA mortgage insurance will be exhausted before the end of May 1961. At the same rate of use, $1 billion in additional authorization will be sufficient to enable new FHA mortgage activity to continue until about July 15, 1961, or until a general housing bill has been enacted.

Housing Act of 1961

S. 1922—Public Law 87-70, approved June 30, 1961:

Major provisions of the omnibus housing measure authorizing $4.9 billion in new funds are:

TITLE I—NEW HOUSING PROGRAMS

Authorizes a 35-year, low-interest-rate mortgage loan program for moderate income families in sales housing with a downpayment of 3 percent of the first $13,500, plus 10 percent over $13,500 up to a maximum mortgage of $15,000; also provides for a 40-year maximum mortgage and permits discretionary inclusion of settlement costs in the downpayment requirement for hardship cases; for existing construction a 30-year maximum maturity applies. Made no change in the 40-year term now in existing law for displaced families. The low-interest-rate mortgage loan program for moderate income families limited to 2 years; no time limit in the case of displaced families.

Market-rate program for rental housing: Bases loan ratio upon 90 percent of replacement cost of new construction. Term of the mortgage can be presribed by the Commissioner at 5 percent but grants him discretion-authority to increase maximum to 6 percent if he finds it necessary to meet the mortgage market; program terminates July 1, 1963, for moderate-income families, with no termination date for displaced families.

Below-market-rate program for rental housing: Authorizes FHA to insure mortgages at below market rate with a partial or no insurance premium and liberalized features for payment of insurance claims. Program limited to nonprofit organizations, limited-dividend corporations, cooperatives, and public bodies or agencies which certify they are not receiving financial assistance from the United States exclusively for public housing. Maximum loan ratio is 100 percent of the Commissioner's estimate of replacement cost, except in case of rehabilitation it is the sum of the repair cost and the Commissioner's estimate of value before rehabilitation. Program for moderate-income families terminates July 1, 1965, but continues after that date for displaced families.

Home improvement and rehabilitation loans: Loans may not exceed 20 years, or three-fourths of the economic life of the property, whichever is less; rate of interest cannot exceed 6 percent; loans on structures less than 10 years old must involve major structural changes or correct defects not known at the time of completion of the structure; applies to urban renewal areas as well as other areas; authorizes FNMA to purchase these loans.

TITLE II—HOUSING FOR ELDERLY AND LOW-INCOME FAMILIES

For elderly: Broadens eligibility to include public bodies, agencies, and consumer cooperatives; permits 100-percent loans; increases the elderly housing direct loan authorization from $50 million to $125 million and eliminates the specific dollar limitation on the portion which can be used for related facilities.

Public housing: Removes requirement that disabled persons be at least 50 years of age. Permits payment of an additional annual Federal contribution of up to $120 a year for each elderly family provided it is required to avoid a deficit in low-rent projects; authorizes approximately 100,000 units which is the remainder contained in the Housing Act of 1949.

Demonstration programs: Authorizes $5 million in grants to public or private bodies or agencies to develop and demonstrate new or improved means of providing housing for low-income persons and families.

TITLE III—URBAN RENEWAL AND PLANNING

Urban renewal: Increases the grant authorization by $2 billion (to $4 billion); permits a locality of 50,000 or less (150,000 or less in case of a community located in a depressed area) to obtain a three-fourths Federal grant on the same basis as the regular two-thirds, i.e., without having to assume the cost of planning, etc.; authorizes the Administrator to use up to $25 million for mass transportation demonstration projects; authorizes SBA to make loans under the disaster loan program to a small business which has suffered substantial economic injury as a result of its displacement by federally aided urban renewal or highway construction program or any other construction program if Federal funds are used; increases from $125 million to $150 million the authorization for disaster loans to provide funds for displaced businesses; increases from 20 percent to 30 percent the amount of grant authorization which may be used for nonresidential purposes.

Urban planning assistance: Increases authorization from $20 million to $75 million; changes the amount of grant from one-half to two-thirds of the estimated cost of the work; extends planning to include transportation facilities.

TITLE IV—COLLEGE HOUSING

Increases the loan authorization by $1.2 billion through fiscal 1964.

TITLE V—COMMUNITY FACILITIES

Public facility and mass transportation loans: Increases the loan authorization by $500 million and provides that $50 million of the amount be made available for mass transportation loans.

Planning advances: Increases by $10 million the amounts which may be appropriated to the revolving fund for planning advances.

TITLE VI—AMENDMENTS TO NATIONAL HOUSING ACT

FNMA: Increases special assistance authorization by $1.5 billion, including transfers.

FHA insurance programs: Extends the home repair and improvement program for 4 years until October 1, 1965; removes dollar ceilings on FHA's insurance authorization and provides that loans and mortgages may be insured until October 1, 1965, except for certain programs that have different termination dates; increases nursing home mortgages from 75 percent to 90 percent of value.

TITLE VII—OPEN-SPACE LAND

Authorizes $50 million in grants to help finance the acquisition of title to, or other permanent interests in, open-space land; limits grants in most cases to 20 percent of total acquisition cost, except in cases of public bodies where it can be increased to 30 percent.

TITLE VIII—FARM HOUSING

Extends the program for 4 years until June 30, 1965; authorizes an additional $200 million in addition to the unused balance of approximately $235 million of the $450 million previously authorized for the period ending June 30, 1961.

Farm housing research: Authorizes $250,000 a year for 4 years to carry out a program of research, study, and analysis of farm housing.

TITLE IX—MISCELLANEOUS

Voluntary home mortgage credit program: Extends this program to October 1, 1965.

Hospital construction: Extends to June 30, 1962, the authority granted for loans and grants to public and nonprofit agencies for hospital construction under the Defense Housing and Community Facilities and Services Act of 1951, where applications were filed before June 30, 1953, and denied solely because of lack of funds; authorizes $7,500,000 for each of the additional years.

New authorizations under the Housing Act of 1961 and estimated budget impact in fiscal 1962

[Millions of dollars]

Purpose	Total new authorizations	Estimated budget impact in fiscal 1962
Total	$4,886	$343
Total loans	2,760	325
FNMA special assistance [1] (President's discretion)	750	225
Housing for the elderly	75	20
Public facility loans	450	50
Mass transit loans	50	10
Planning advances (sec. 702)	10	----
Farm housing loans	200	----
College housing	1,200	10
Loans for displaced business	25	10
Total grants	2,126	18
Urban renewal	2,000	3
Mass transit grants [2]	----	5
Urban planning	55	3
Open-space grants	50	5
Farm housing research	1	----
Defense hospitals	15	----
Housing demonstration program	5	2

[1] The bill also allows FNMA to use approximately $200,000,000 of the Program 10 special assistance fund previously authorized by the Emergency Housing Act of 1958. In addition, repayments on mortgages in the management and liquidation fund established in 1954, amounting to an estimated $150,000,000 a year, could be used for the purchase of mortgages under the special assistance function.

[2] Permits use of up to $25,000,000 of urban renewal funds.

Veterans' home loans

H.R. 5723—Public Law 87-84, approved July 6, 1961:

Extended direct and guaranteed home loan programs for World War II veterans to July 26, 1967, and for Korean conflict veterans to February 1, 1975; authorized an additional $1.2 billion for direct loan program through fiscal 1967.

INDIANS

American Indian Day

Senate Joint Resolution 84—Passed Senate August 14, 1961. Pending in House Judiciary Committee:

To call public attention to the achievements and contributions that the American Indian has made to this Nation's progress and culture, this resolution designates the fourth Friday in September of every year as American Indian Day.

The President is directed to issue annually a proclamation setting aside that day as a public occasion and inviting the people of the United States to observe it with appropriate ceremonies.

Claims Commission

S. 751—Public Law 87-48, approved June 16, 1961:

This measure extends the life of the Indian Claims Commission to April 10, 1967, an additional 5 years, or at such earlier time as the Commission shall have made its final report to the Congress.

The Commission was established in 1946 to provide for a final disposition of all claims of Indian tribes against the United States that existed on the date of the act, August 13, 1946.

This extension is required in order that claims which the Indians have filed may be properly heard and decided; otherwise, the Indians will again resort to petitioning Congress for special jurisdictional acts to have their claims adjudicated.

There are 468 dockets now pending and active, some of which have been partly adjudicated and others in early stages of processing.

This act also provides for hearing examiners to assist the Commission in expediting its work. By assigning additional attorneys in the Justice Department to these claims cases, and attempting to reach settlements in cases which liability has been determined, a great many dockets can be disposed of.

Colville Reservation Confederated Tribes

H.R. 8236—Public Law 87-298, approved September 26, 1961:

Authorizes remaining funds, after settlements of certain judgments before Indian Claims Commission, to be credited to the account of the Confederated Tribes of the Colville Reservation. These funds may be spent, with the approval of the Secretary of the Interior, for purposes authorized by the tribal government body.

Employment

S. 200—Public Law 87-273, approved September 22, 1961:

This measure amends a 1956 act by increasing to $7,500,000 the annual authorization to carry out a vocational training program for American Indians residing on or near Indian reservations.

Although the Indian vocational training program has been in operation less than 5 years, it has become a most effective tool for equipping American Indians between the ages of 18 and 35 with salable work skills. These courses extend from 4 months to 2 years. In fiscal 1961 there were 1,700 students enrolled in various vocational programs throughout the United States. As of May 1, 1960, 743 Indians had completed training.

Land—Leasing

S. 108—Passed Senate March 30, 1961. Pending in House Interior and Insular Affairs Committee:

This measure amends the 1955 Indian Leasing Act relating to leases of individual and tribal lands for public, religious, educational, recreational, residential, business, and some farming purposes.

Under the 1955 act the Indian owners of restricted Indian lands in the United States were permitted to lease their lands for a period of 25 years with the approval of the Secretary for public, religious, educational, recreational, residential, or business purposes, including the development or utilization of natural resources in connection with operations under such leases. In addition, these lands could be leased for farming purposes which require making substantial investments in improving land for producing specialized crops. The act also authorized leasing restricted lands of deceased Indians for the benefit of their heirs or devisees.

After the enactment of the 1955 measure, there arose several instances where the 50-year maximum leasing period was inadequate for the proper development of resources. To meet the needs of the Palm Springs Indians and the Navajo Tribe, Congress provided for 99-year leases on these two reservations during the 86th Congress.

Several other tribes, including the Seminoles, the Torres-Martinez groups and others, have all requested leasing authority beyond the present 50-year maximum.

This bill is designed to permit a lease with a term that is long enough to enable a lessee to obtain finanicng for the type development that is contemplated. It is drafted in such a way as to provide for lease periods up to 99 years. The Secretary of the Interior, however, may not approve any leasing with a term longer than is necessary to obtain the maximum economic benefits for the Indian owners. The bill retains the 10-year limitation on grazing leases and the 25-year maximum on farming leases that require substantial investments.

This measures also clarifies any ambiguity in the present law regarding mineral leases by omitting them completely.

Menominees

H.R. 4130—In conference:

Authorizes the Secretary of the Interior to make loans over a 4-year period up to a maximum of $1.5 million to Menominee Enterprises, Inc. This corporation succeeds the tribal entity of the Menominee Indians of Menominee County, Wis., as planned by an act of June 17, 1954, which terminated services to these Indians by the Bureau of Indian Affairs, as of April 30, 1961. The corporation contains the tribal assets, primarily timber and a sawmill, and the proposed program provides for modernizing these facilities. In the absence of assistance from the Bureau of Indian Affairs, the 1954 termination program would have difficulty in succeeding without loan aid. The program lends to the Menominee corporation under conditions assuring repayment within 20 years.

Authorizes additional expenditures for the development of recreational resources, and sanitation facilities, a program interrupted because of the change in its status on April 30, 1961.

Northern Cheyenne Indians, Montana

S. 2224—Public Law 87-287, approved September 22, 1961:

Provides that Indians granted allotments under a 1926 act, giving mineral rights to the northern Cheyenne Indians, when they take possession of their subsurface rights,

must take them subject to any then outstanding leases. This provision is intended to encourage the development of minerals, discouraged now because a lessee cannot obtain a lease from the tribe that runs beyond 1976 when the land is to be transferred to the individual allottee or his heir.

Omaha Tribe

S. 1518—Public Law 87–235, approved September 14, 1961:

This bill disposes of a $2,722,288 claim collected by the Omaha Tribe after an official roll of the descendants of the aboriginal tribe member is compiled, $750 per capita is authorized with the balance of the claim being used for purposes designated by the tribal council.

Public facility loans

S. 2454—Passed Senate August 29, 1961. Pending in House Banking and Currency Committee:

Provides eligibility to Indian tribes for assistance under the public facility loan program, title II of the Housing Amendments of 1955. Under present law, eligibility for loans under the public facility loan program is limited to "municipalities and other political subdivisions and instrumentalities of State." This provision has been interpreted as not including Indian tribes because they are not creatures of the States but quasi-independent Government entities recognized, supported, and dealt with by the Federal Government.

The exclusion of Indian tribes from the communities facilities program is inconsistent with other housing programs. Federal assistance for low-rent public housing and housing for the elderly program is considered available to the tribes. In addition, they are eligible for Federal assistance under the Area Redevelopment Act. Thus omission from the public facilities program would be rank discrimination.

Pueblos-trust lands

S. 203—Public Law 87–231, approved September 14, 1961:

Declares the United States will hold in trust 69,706 acres of public domain lands which will insure continuity of use of this land by the Indians who have worked it under free use permit for the last 20 years. Such trust title will help foster the initiative for better soil conservation practices by the Indians.

Reservation roads

S. 1719—Public Law 87–282, approved September 22, 1961:

This act authorizes the Secretary of the Interior to accept the cooperation of any State, county, or local subdivision in the construction of Indian reservation roads and bridges. Cooperation will, as a general rule, take the form of contributions of either materials or funds, or both.

Frequently an Indian reservation road is constructed through an area where a part of the lands are owned by Indians and a part by non-Indians. The local government recognizes that it should pay the part relating to the non-Indian lands. Under existing law, the local government and the Bureau of Indian Affairs must each assume responsibility for a specific part of the construction; for instance, one may agree to do the surfacing and the other the grading. This is an inefficient procedure and it cannot be used at all when the construction work is to be done under a contract let by competitive bidding.

Thus, this act will permit the Secretary to accept funds from the local government and use them for an integrated road construction program under Bureau control.

Revolving loan fund

S. 1540—Public Law 87–250, approved September 15, 1961:

Provides for an increase from $10 million to $20 million for the Indian revolving fund so that adequate funds will be available from which worthwhile projects may be financed.

Seneca leasing law

S. 344—Public Law 87–230, approved September 14, 1961:

Changes existing law which states that funds acquired by leasing Seneca lands must be distributed with $5,000 going to the maintenance of the Council of the Seneca Nation and any funds above this being divided on a per capita basis.

Thus, this bill removes the $5,000 limitation and provides that the council may use all or any part of the lease money.

Utilities

S. 1501—Public Law 87–279, approved September 22, 1961:

Permits the Secretary of Interior, after notifying the congressional Interior Committees, to contract for the sale, operation, maintenance, repair, or relocation to private organizations of any Government-owned utility systems (except part of an irrigation system) used by Indian reservations. Private participation will improve the service given by these utilities as the Bureau of Indian Affairs hasn't the necessary funds for the needed improvements or to effect improved service in many areas.

INTERNATIONAL

Alien Orphan Adoption Act

S. 2237—Public Law 87–301, approved September 26, 1961:

Made permanent and expanded the provisions of the Alien Orphan Adoption Act which permits orphans adopted or to be adopted by U.S. citizens to enter the country on nonquota visas. To be eligible, the alien must be under 14 and must have been orphaned or abandoned abroad. The act provides, however, that no more than two children may be adopted by one family unless it would mean the separation of brothers and sisters, and prevents proxy adoption of orphans.

Permits immediate admittance of some 18,000 second and third preference aliens on a nonquota basis.

Assistance to refugees, migrants, and escapees

H.R. 8291—In conference:

This bill assists in the resettlement of refugees and escapees by—

Authorizing the President to participate in three programs: Contributions to the Intergovernmental Committee for European Migration (ICEM), contributions to the United Nations High Commissioner for Refugees (UNHCR), and the U.S. escapee program (USEP).

Establishing specific authority to assist Cuban refugees who have come to the United States.

Providing the President with authority to meet unexpected refugee, escapee, and migration problems by using up to $10 million in any fiscal year out of his foreign aid contingency fund.

Authorizing the President to delegate his responsibilities under this act to appropriate officers of the U.S. Government, to allocate funds to these officers to operate the programs, and to expend funds for necessary operating and administrative purposes.

ICEM, established on the initiative of the United States in 1951, now has 30 governments as members. Its purpose is to move surplus population and refugees from Europe to Latin America, Australia, Canada, New Zealand, and other countries. The organization assists these migrants in relocating and establishing themselves in their new surroundings.

USEP, operated by the United States since 1952, provides reception, supplemental material aid, and resettlement and local integration assistance to recent escapees from the Sino-Soviet bloc.

UNHCR, established in 1951, to promote the principle of asylum refugees fleeing from persecution and to reduce political tensions resulting when large numbers of people seek asylum in a neighboring country.

Aid to Cuba refugees heretofore has been made the responsibility of the Department of HEW. The program has been operated under the Mutual Security Act of 1954 and financed out of the President's contingency fund under that act.

Battle Act revisions

S. 1215—Passed Senate May 11, 1961:

This measure amends the Mutual Defense Assistance Control Act of 1951, the so-called Battle Act, to strengthen U.S. policy abroad.

The Battle Act of 1951 places an embargo on shipments of war materials from the United States to the Communist bloc and penalizes other nations which fail to do likewise by prohibiting military, economic, or financial assistance from the United States to them.

This measure deletes obsolete references to provisions which have been since repealed. It provides that the Administrator of the act may be either the Secretary of State or such other officer as the President may designate.

This amendment permits economic and financial, but not military, assistance to any nation or area, other than the Soviet Union and Communist-held areas of the Far East, which exports arms, ammunition, implements of war, atomic energy materials, or items used in the production of these materials to the Sino-Soviet bloc, upon the President's determination that such assistance is important to the security of the United States. The amendment also permits assistance to a country which is neither effectively cooperating with, nor furnishing sufficient information to, the United States. If, however, aid has been terminated, such assistance can be resumed only upon a determination that the Nation has taken adequate measures to assure full compliance with the act. Each such determination must be reported to the Committees on Foreign Relations, Appropriations, and Armed Services of the Senate and the Speaker of the House.

Economic assistance is permitted through the use of any amount of mutual security funds, without regard to the present $30 million ceiling on assistance to any nation for which the act must be waived and also permits assistance through the use of funds of the Export-Import Bank, as well as local currencies accruing to the United States under Public Law 480 sales of surplus agricultural commodities.

Under this amendment the Administrator may, notwithstanding the requirements of this act, direct continued assistance to a country which knowingly permits shipments of items other than arms, ammunition, implements of war, and atomic energy materials to any nation or area receiving economic or financial assistance if such would be clearly in the interest of the United States.

Caribbean organization

House Joint Resolution 384—Public Law 87–73, approved June 30, 1961:

This resolution authorizes the President to accept on behalf of the United States the agreement establishing the Caribbean Organization and the participation of Puerto Rico and the Virgin Islands in the Organization.

The resolution makes available to the Organization the privileges, exemptions, and immunities conferred by the International Organizations Immunities Act and authorizes the Secretary of State to appoint a U.S. observer to the Organization.

The statute of the Caribbean Organization is an integral part of the agreement among the four powers. Except for the French territories, which will continue to be represented by France, the members of the Carib-

bean Organization will be the territories, commonwealths, or other possessions of those powers in the Caribbean area. Other territories eligible to participate are the Netherlands, Antilles, Surinam, British Guiana, the West Indies, the Bahamas, British Honduras, and the British Virgin Islands. French Guiana, Guadeloupe, and Martinique will participate and will be represented by France. Each member of the Organization will have one delegate with one vote, except that France will have one delegation with three votes, reflecting French membership on behalf of three departments.

The Organization is to concern itself with social, cultural, and economic matters of common interest to the Caribbean area, particularly agriculture, communications, education, fisheries, health, housing, industry, labor, music and the arts, social welfare, and trade. It may make studies and recommendations, assist in the coordination of local projects of regional significance, arrange for or provide technical guidance not otherwise available, and, subject to certain conditions, make contracts or agreements for technical assistance with other international or national organizations.

Headquarters will probably be located in Puerto Rico.

Cooperation agreement with France

House Joint Resolution 569—Public Law 87–363, approved October 4, 1961:

Ratification of this agreement permits the United States and France to exchange classified information to permit French military forces to be trained in the employment of and defense against atomic weapons.

In addition the agreement provides for the transfer of nonnuclear parts of atomic weapon systems (but not parts of atomic weapons) to improve the state of training and operational readiness of French military forces assigned to NATO.

Educational and cultural exchange

H.R. 8666—Public Law 87–256, approved September 21, 1961:

This measure is designed to improve the quality and effectiveness of the international educational and cultural exchange programs administered and sponsored by the U.S. Government by consolidating into one act the following programs: The Fulbright Act of the 79th Congress, Public Law 584; the Smith-Mundt Act of the 80th Congress, Public Law 402; the Finnish Debt Payments Act of the 81st Congress, Public Law 265; the Mutual Security Act of 1954 as amended; the Agricultural Trade Development and Assistance Act of 1954 of the 83d Congress, Public Law 480; and the International Cultural Exchange and Trade Fair Participation Act of 1956 of the 84th Congress, Public Law 860.

The overall aim in effecting the consolidation is to promote the educational and cultural affairs to a more important position in the foreign relations of the United States.

Principal provisions of the consolidation:

Continues the President's authority to appoint a Board of Foreign Scholarships to select students and educational institutions for the program, and increases the membership from 10 to 12.

Permits U.S. participation in exchange programs sponsored through the U.N. or other international organizations.

Authorized use of exchange program funds for living expenses as well as transportation expenses of foreign students coming to the United States.

Authorized use of U.S.-owned foreign currencies for the exchange of U.S. and foreign students and teachers under a program administered by State Department.

Authorized use of funds to assist U.S. educational institutions in foreign countries.

Authorized the educational and cultural exchange programs for leaders and specialists as well as teachers.

Authorized the State Department to administer the programs involving exchange of persons and cultural presentations. Authorized USIA to administer exchange of books and educational materials, and Commerce Department to administer the trade fair provisions.

Authorized U.S. representation at cultural events in the United States as well as abroad.

Broadened the definition of cultural events to include meetings and assemblies—as well as artistic, dramatic, musical, and sports.

Revised the Immigration and Nationality Act and established a new nonimmigrant alien class for which visas as exchange visitors would be issued to teachers, trainees, leaders, and specialists.

Authorized program participants and dependents to accept employment.

Permitted one security investigation to be sufficient to cover any Government personnel who might change their functions within a department.

Permitted fellowships from foreign governments and international organizations to be taxed at the same rate as U.S. grants.

Applied the same tax rules and rates to income of exchange visitors as are applied to U.S. citizens.

Directs the President to submit annual reports to the Congress, detailing activities and expenditures made under this act.

Emergency Repatriation Assistance Act of 1961

H.R. 6027—Public Law 87–64, approved June 30, 1961:

The Emergency Repatriation Assistance Act of 1961 authorizes the Secretary of HEW, after consulting with the Secretaries of State and Defense, to develop plans and make arrangements for providing temporary assistance to U.S. citizens and dependents of U.S. citizens, identified by the Department of State as having returned or brought here because of destitution or illness, or because of war, threat of war, invasion, or similar crisis.

This 1-year assistance, however, will be provided only if the citizen or dependent involved was without available resources. The aid can consist of money payments, medical care, temporary billeting, transportation, or other goods or services needed for the health or welfare of the individual. It can also include guidance, counseling, and other welfare services.

(Passed as an amendment to social security amendments.)

Exemptions—Foreign bank issues

H.R. 5189—Public Law 87–29, approved May 4, 1961:

Under existing law there is an income tax on foreign corporations which hold U.S. Government securities if they receive interest on them. In the case of a foreign government that holds U.S. bonds, there is no income tax; in other words there is an exemption in such cases.

Some foreign governments do not have central banks, instead they operate through corporations. In this type case the tax is payable on these securities. This bill is designed to equate this situation by making all obligations of that nature exempt whether they are owned by a country through its wholly owned central banks or whether it is owned by a foreign government banking business.

In addition, it extends to May 15, 1961, the period in which the spouse of a shareholder in a small business corporation may consent to an election not to be taxed as a corporation. Under existing law certain small business corporations can elect not to be taxed as a corporation; however, the Treasury Department regulations provide that in community property States, both husband and wife must make the election. Thus, in many instances the husband made the election but the wife did not. This measure merely grants the spouse until May 15, to sign the election where, in the first instance, a timely election was made by the husband.

Export declarations

S. 1289—Public Law 87–191, approved August 31, 1961:

To facilitate the movement of exports, this measure eliminates a nonessential step in processing export declarations by repealing the requirement of an oath on shippers' manifests of cargo and replaces it with a certification requirement.

Experience has shown the oath requirement to be costly, burdensome and superfluous since, under section 1001, title 18 of the United States Code, any false or fraudulent statements or representations concerning matters within the jurisdiction of any department or agency of the U.S. Government is subject to a fine of up to $10,000, or imprisonment for not more than 5 years, or both.

Export-Import Bank—Credit insurance

S. 2325—Public Law 87–311, approved September 26, 1961:

Amends the provisions of the Export-Import Bank Act which relate to export credit guarantees, by making it clear that the Export-Import Bank is authorized to insure, coinsure, and reinsure U.S. exporters and foreign exporters doing business in the United States in an aggregate amount of $1 billion outstanding at any one time against political and credit risks of loss arising in connection with U.S. export transactions, and by authorizing the Bank to establish fractional reserves in connection with export guarantees amounting to at least 25 percent of the related contractual liability in the Bank.

This will make it possible for the Export-Import Bank to provide greater assistance to the United States through an expanded program for insuring or guaranteeing exports, which will help to solve the balance-of-payments problem of the United States by increasing exports.

Foreign Agents Registration Act

H.R. 470—Public Law 87–366, approved October 4, 1961:

Broadens the definition of "foreign principal" to require registration under the Foreign Agents Registration Act by individuals employed in a domestic partnership or organization which is substantially directed by a foreign government or political party.

Clarifies the so-called commercial exemptions of the Foreign Agents Registration Act by providing that a foreign principal, in order for its agents to be eligible for exemption from registering under the act, must be engaged in activities which are either private and nonpolitical and financial, or private and nonpolitical and mercantile.

Foreign Assistance Authorization Act of 1961

S. 1983—Public Law 87–195, approved September 4, 1961:

This measure authorizes $4,253,500,000 for foreign economic and military assistance in 1962, and $1.5 billion in each of the following years, 1963–66, for the Development Loan Fund. The major provisions are:

Statement of policy: Stated its purpose is to strengthen friendly foreign countries by encouraging the development of their free economic institutions, productive capabilities, and by eliminating barriers to the flow of private investment capital. In addition, declared that it is the policy of the United States to support the principles of increased economic cooperation and trade among countries, freedom of the press, information, religion, freedom of navigation in international waterways, and recognition of the right of all private persons to travel and pursue their lawful activities without discrimination as to race or religion.

Development Loan Fund: Authorized a 5-year program of long-term loans to

friendly countries and areas with emphasis upon assisting long-range plans and programs designed to develop economic resources and increase productive capacities.

The loans are to be repayable in U.S. dollars and made only upon a finding of reasonable prospects for repayment.

Provided that loans may not be reloaned within the recipient country at rates of interest excessive or unreasonable for the borrower and in no event higher than the applicable legal rate of interest of the country in which the loan is made.

Authorized $1.2 billion for fiscal year 1962 and $1.5 billion for each of the following years, 1963–66, but required annual appropriations.

Authorized the President, when he determines it is important to the advancement of our interest and the development program, to enter into agreements committing loan funds in advance of but subject to the appropriation of such funds. Requires the President to notify the Foreign Relations and Appropriations Committees of the Senate and the House of the provisions of such agreements, including the amounts of funds involved.

Authorized the President to establish an interagency Development Loan Committee, consisting of officers from Government agencies and confirmed by the Senate, to establish standards and criteria for lending.

Authorized the President to lend up to 10 percent of the Development Loan Funds to the International Development Association.

Development grants: Authorized $380 million in development grants plus unobligated balances (estimated at $15 million). Development grants will be used to raise educational, technical, managerial, and professional levels of certain societies. Authorized assistance to schools, libraries, and hospitals outside the United States that have been founded or sponsored by American citizens. Authorized up to $2 million to promote the peaceful uses of atomic energy outside the United States.

Development grant activities will be financed jointly by the United States and the host government with the latter paying a fair share of the cost of the programs.

Authorized assistance through loans of foreign currencies to small farmers, up to an aggregate of $10 million at any one time.

Prohibits grants which would have a substantially adverse effect upon the U.S. economy or a segment thereof.

Investment guarantees: Continues and broadens the President's authority to make guarantees of certain investments up to a face amount of $1 billion, and expands the role of private enterprise in furthering the economic growth of less developed countries and areas. Authorized the President to guarantee up to 75 percent of an investment up to $10 million, against risks as determined by him; however, these investments must be for projects emphasizing economic development, social progress, and promote small independent business enterprises. Authorized guarantees up to 75 percent of an investment in pilot housing projects in Latin America up to a total of $10 million. These guarantees would cover investments made by U.S. citizens or business entities which are both U.S.-chartered and substantially U.S.-owned in pilot or demonstration private housing projects in Latin America. Requires a fee for each guarantee in an amount to be determined by the President.

Surveys of investment opportunities: Authorized $5 million to finance up to 50 percent of the cost of investment surveys and studies in less developed areas approved by the President. Excludes surveys regarding sources of oil, gas, and ores, along with studies aimed at determining the feasibility of mining and other extraction operations. To be eligible to receive such funds, the term "person" as applied to this section means a citizen of the United States or any corporation, partnership, or other association substantially beneficially owned by U.S. citizens.

Development research: Establishes a new program designed to contribute the results of systematic investigation to the improvement and the direction of economic aid programs.

International organizations and program: Authorizes $153.5 million for the support of international organizations and programs; funds to remain available until expended. Limited contributions to the U.N. expanded program of technical assistance and the U.N. Special Fund (after calendar year 1961) to 40 percent of the total amount contributed, including assessed and audited local costs, for each year. Directed the President, in his determination as to whether aid should be continued to the Palestine refugees in the Near East, to consider whether Israel and the Arab host governments are taking steps toward the resettlement and repatriation of these refugees and the extent and success of efforts by the U.N. Relief and Works Agency and the Arab host governments to rectify the Palestine refugee relief rolls. Reaffirmed U.S. policy to participate in the Indus Basin development.

Supporting assistance: Authorizes $465 million for supporting assistance to be used beginning in fiscal year 1962, plus unobligated balances currently estimated at $50 million, and to remain available until expended. Supporting assistance joins together in a single category those programs which have been labeled "defense support" and "special assistance" programs.

Contingency fund: Authorized up to $300 million for a contingency fund to be used by the President for economic purposes that he determines to be important to the national interest.

Agrarian economies: Directed the President to place emphasis upon programs reaching the people who are engaged in agriculture.

Military assistance: Authorized a 2-year program at the level of $1.7 billion for each of the fiscal years. Military assistance may be furnished on such terms and conditions as the President may determine, and to any country, subject to conditions of eligibility, or international organizations, the support of which the President finds to be in the national interest. Limited defense articles for any one country in any one year to $3 million unless the President determines, among other requirements, that the increased ability of such country to defend itself is important to the security of the United States. Authorizes the President to use up to $300 million in Defense Department supplies for military aid if he determines it to be vital to the security of the United States. Limited to $57.5 million the amount of military equipment aid for Latin American nations.

General provisions

Aid barred: Bars aid under this act to the present Government of Cuba; to the government of any country unless the President determines that the country is not dominated or controlled by the international Communist movement; to any country indebted to a U.S. citizen who has exhausted available legal remedies.

Small business: Establish an Office of Small Business to assist American small business in foreign aid program. Established a $5 million revolving fund to acquire usable U.S. machinery to sell to small foreign businesses and set a ceiling of $45 million on the original sale value of surplus property transferred to the Agency for International Development.

Recipient countries: Encouraged development and use in recipient countries of cooperatives, credit unions, and savings and loan associations.

President Kennedy's statement of August 29, 1961

"The compromise which the Senate-House conferees have worked out is wholly satisfactory. It gives the U.S. Government authority to make commitments for long-term development programs with reasonable assurance that these commitments will be met. In providing 5 years of substantial authorization, the conferees have recognized the magnitude of the need in the developing countries. In insuring specific authority to enter into commitments with these countries, the conferees have recognized the necessity for this Government to give assurance that assistance will be forthcoming over a period of years. The agreement reached by the conferees today is an important decision both for the United States and the free world."

Foreign Commerce Act of 1961

S. 1729—Passed Senate August 25, 1961. Pending in House Banking and Currency Committee:

Provided new and expanded existing services which the Federal Government provides to American businessmen who are interested in exporting their goods.

The Secretary of Commerce would be authorized to (1) provide for the establishment of trade fairs abroad to aid in exhibiting U.S. goods, (2) encourage the establishment of permanent centers which exhibit U.S. goods, (3) send trade specialists overseas to attempt to open new markets to U.S. goods, (4) provide information concerning existing trade opportunities, and (5) institute programs of trade fair promotion. Also, establishes under the Department of Commerce a professional career service. Members of the Foreign Commerce Corps would be sent, after a training program to be determined by the Secretary of Commerce, to our Embassies or other oversea posts. They would work on commercial and/or economic matters. The corps would function on much the same system as our Foreign Service Corps. Also, the Export-Import Bank Act of 1945 is amended to institute a comprehensive program of credit guarantees and insurance against political and commercial risks arising directly from export transactions. The Bank will utilize the services of private enterprise, particularly insurance companies and financial institutions. All exports which are guaranteed or insured must be at a uniform rate; the Bank has the authority to determine the terms and conditions of the guarantee program.

Foreign Service widows

S. 1067—Passed Senate March 30, 1961. Pending in House Foreign Affairs Committee:

In 1956 Congress enacted a measure authorizing a $1,200 a year annuity to widows of Foreign Service officers who were not entitled to an annuity under the Foreign Service retirement system provided the widow was in "actual need."

In 1960 this act was amended and the amount increased to $2,400 a year and expanded to include widows whose husbands "died" before August 29, 1954, and repealed the "actual need" test.

This measure amends the foregoing to include widows whose husbands "retired" prior to August 29, 1954.

In each instance the date, August 29, 1954, was selected because it was the effective date of the Government Employees Life Insurance Act and any Foreign Service officer who retired after that date would have some Government life insurance which would benefit his widow in the event of his death.

Inter-American Children's Institute

Senate Joint Resolution 66—Public Law 87–365, approved October 4, 1961:

This act enables the United States to continue participation in the activities of the Inter-American Children's Institute until

the end of 1963, by substituting 1963 and 1964 for 1961 and 1962 in the present law. This limit was placed in the law in 1960 when Congress raised the ceiling on U.S. contributions to $50,000 a year (from $25,000—to permit Congress to have a look at and form a judgment as to the Institute's increased activities as a result of additional funds.

The primary purpose of the Inter-American Children's Institute is to serve as a center for technical consultation, advisory services, to foster a helpful publication program, and to disseminate information on all matters pertinent to the welfare of American children.

The accomplishments of the Institute are recognized throughout the world, and Congress unanimously adopted this resolution authorizing our continued participation and cooperation in the Institute's efforts.

International Exposition for Southern California

S.J. Res. 132—Passed Senate September 11, 1961. Pending in House Foreign Affairs Committee:

Directs the President to issue a proclamation calling on the United States and foreign countries to take part in the international exposition to be held at Long Beach, Calif., in 1966.

International Finance Corporation Amendment

H.R. 6765—Public Law 87-185, approved August 30, 1961:

Amends the charter of the International Finance Corporation by allowing it to purchase capital stock to aid the IFC in encouraging private investment in underdeveloped countries by creating a wider flexibility of financing to meet the varying needs of private enterprise. The IFC will not be allowed to vote the capital stock in connection with any managerial function unless a situation arose which placed the investment in jeopardy.

International food and raw materials reserve

Senate Resolution 128—Senate adopted June 1, 1961:

The Senate unanimously adopted this resolution expressing, as the sense of the Senate, that the President should explore with other nations the establishment of an international food and raw materials reserve under the auspices of the United Nations and related international organizations for the purpose of acquiring and storing in appropriate countries raw or processed farm productions and other raw materials, exclusive of minerals.

These materials could then be used to (1) prevent extreme price fluctuations in the international market in these commodities; (2) prevent famine and starvation; (3) help absorb temporary market surpluses of farm products and other raw materials (but not minerals); and (4) promote economic and development programs formulated in cooperation with other appropriate international agencies.

U.S. participation would be contingent upon statutory authorization or treaty approval.

Latin American aid

H.R. 6518—Public Law 87-41, approved May 27, 1961:

This measure appropriates $500 million for the inter-American social and economic cooperation program and $100 million for Chilean reconstruction.

The authorizing legislation was passed in 1960 to enable the U.S. representatives in Bogotá, Colombia, to give substance to a new program of development for Latin America. The objective of this development program is to implement the Act of Bogotá, signed by 19 American nations in September 1960.

In helping to carry out the Act of Bogotá, the funds involved in this appropriation will be aimed directly at the Latin American people through advances in fields which directly affect their lives. The President, in requesting this appropriation, stated:

"It will be devoted to social progress. Social progress is not a substitute for economic development. It is an effort to create a social framework within which all the people of a nation can share in the benefits of prosperity and participate in the process of growth. Economic growth without social progress lets the great majority of the people remain in poverty while a privileged few reap the benefits of rising abundance * * *. Thus, the purpose of our special effort for social progress is to overcome the barriers of geographical and social isolation, illiteracy and lack of educational opportunities, archaic tax and land tenure structures and other institutional obstacles to broad participation in economic growth."

The fields included in this social progress are—

(a) Land settlement and improved land use;

(b) Housing for low-income groups through assistance to self-help housing and to institutions providing long-term housing finance;

(c) Community water supply and sanitation facilities;

(d) Supplementary financing of facilities for advanced education and training related to economic and social development as may be agreed upon from time to time between the United States and the Inter-American Development Bank. The IDB will also provide technical assistance related to the above fields. Technical assistance may be on a grant, loan, or reimbursable basis.

The International Cooperation Administration will also participate in the program and its primary responsibility will be for education and training programs; public health; projects for social improvement for the federation of the West Indies and other territories within the Western Hemisphere; and applied research and surveys in fields related to social progress. Most ICA assistance will be on a grant basis.

Six million dollars is to be used to help the Organization of American States in connection with the social development program.

The $100 million will be loaned to the Government of Chile to assist in financing specific reconstruction projects and activities made necessary by the series of severe earthquakes in southern Chile. Total damage as a result of the quakes was $372 million.

As finally enacted, the measure prohibits loans or reloans at interest rates considered to be excessive by the Inter-American Development Bank or higher than the legal rate of interest of the country in which the loan is made.

Lincoln monument to Mexico

S. 653—Passed Senate September 7, 1961. Pending in House Foreign Affairs Committee:

Authorizes the Secretary of State to procure a statue of Lincoln (at an estimated cost of $150,000) to present to Mexico in commemoration of its 100th anniversary of independence.

Loan of naval vessels to friendly countries

H.R. 7726—Public Law 87-387, approved October 4, 1961:

Authorizes the President to loan ships to the following friendly nations:

North Atlantic Treaty Organization and European area not to exceed six ships (Denmark and Greece).

Southern Asia not to exceed two ships (Pakistan).

Far Eastern area not to exceed six ships (Republic of China and Republic of Korea).

Two ships to be loaned to friendly foreign nations in the event of an emergency.

Extends for 5 years existing loans of two destroyer escorts to Portugal and two destroyers to Spain.

NATO—U.S. Citizens Commission

House Joint Resolution 463—Public Law 87-116, approved July 31, 1961:

Extended through June 30, 1962, the life of the U.S. Citizens Commission on NATO, a Commission established to explore means of cooperation and unity of purpose among the NATO countries.

Though the Commission was established on September 7, 1960, by Public Law 86-719, the actual membership was not appointed until March 21, 1961. Due to this delay plus the fact that some of the other NATO countries have experienced similar delays, it was considered essential to extend the life of the Commission. Ultimately these groups will hold an international convention to carry out the purposes of the original resolution.

OECD—Permanent representation

S. 2423—Passed Senate September 7, 1961. Reconsideration motion pending:

This bill permits the President to appoint, subject to confirmation by the Senate, a permanent representative of the United States to the Organization for Economic Cooperation and Development, and provides for the cost of U.S. participation in OECD including salaries of the American representative and his staff.

The U.S. share of the OECD budget is 25 percent, and it is estimated that the total budget will run to about $5 million annually.

Paris convention on patents and trademarks

H.R. 5754—Public Law 87-333, approved October 3, 1961:

Implements the Paris convention in relation to the right of priority for patents and trademarks, by amending sections 1119 and 1126, title 15 of the United States Code, which provides that if an application for a trademark is filed in the United States within 6 months of the date the application for the same trademark was filed in a foreign country, the same date of registration shall apply to the U.S. application. In the case of patent inventions, the same right of priority applies but the period is 1 year.

This bill provides that if a subsequent application were filed in the foreign country after the first foreign application had been withdrawn, abandoned, or otherwise disposed of without leaving any rights outstanding, the first date would hold—if the other requirements had been met.

Peace Corps

H.R. 7500—Public Law 87-293, approved September 22, 1961:

This measure carries out the President's recommendation to establish a Peace Corps of American volunteers to carry America's skills and talents and idealism abroad to help other peoples help themselves. The Peace Corps is designed to provide the framework through which America's idealism, her humanitarianism, and her generosity can find a personal expression in the task of helping to build with our own hands a better world for our mankind. The major provisions are:

Purpose: To promote world peace and friendship through a Peace Corps, and to promote a better understanding of other peoples on the part of the American people and a better understanding of the American people on the part of the peoples served.

Staff and agency: Established as a semi-autonomous agency within the Department of State, headed by a Director appointed by the President and confirmed by the Senate, at $20,000 a year, and a Deputy Director at $19,500 a year. The Director of the agency will report directly to the Secretary of State, and the integration of the Peace Corps programs with the foreign policy of the United States will be the responsibility of the Secretary of State.

Volunteers: Provides that the President may enroll in the Peace Corps for service abroad qualified citizens and nationals of the United States who will be called volunteers. A volunteer, to enroll in the Peace Corps,

must pass a general entrance as well as other examinations, successfully complete a training program including instruction in philosophy, strategy, tactics, and the menace of communism, be selected for oversea duty, and have a language proficiency. To qualify as a volunteer, one must be at least 18, single or if married both must volunteer, in excellent physical and mental health, emotionally mature, and exemplary in personal conduct. In addition he must have a good educational background and/or experience required for success both in the training program and in performance on the job.

Allowances: Volunteers will be given living, travel, and leave allowances, and such housing, transportation, supplies, equipment, subsistence, and clothing as the President may determine necessary (estimated to cost $9,000 per person). The volunteer is to live at a level generally similar to that of his host country counterpart. He will be credited with 2½ days of annual leave for each month of satisfactory service, which will permit him to travel some in the area in which he is stationed. While actually on leave, the volunteer will be given an additional allowance of $5 a day to cover expenses.

Termination payments: Volunteers will receive termination payments at a rate not to exceed $75 for each month of satisfactory service, to be paid at the conclusion of his service; unless his financial situation is such that he needs payments deducted to support a family.

National Advisory Council: Provides for Presidential appointment of 25 members to the Council from educational institutions, voluntary agencies, farm organizations, labor unions, and other public and private organizations and groups interested in the objectives of the Peace Corps. The Council is to advise and consult with the President concerning policy matters. The service is without pay; however, if they are not employed by the Government they may receive $50 per diem not to exceed 20 days in any fiscal year, actual travel expenses, and per diem in lieu of subsistence and other expenses.

Peace Corps projects: For a project to be eligible: (1) It must make a contribution to the economic, social, or cultural development of the host country, and the government of that country must have requested the project and given evidence of its willingness to cooperate; (2) it must require primarily workers or doers with skills not sufficiently available in the host country; (3) maintenance and remuneration of volunteers must meet Peace Corps standards; (4) it must use volunteers who will be serving in this or other projects for a minimum of 2 or 3 years including training time; and (5) any sectarian religious propagandizing or proselytizing must not be permitted.

Authorization: Authorizes an appropriation of $40 million for fiscal 1962.

Red China

Senate Concurrent Resolution 34—Passed Senate July 28, 1961, passed House August 31, 1961:

Resolves to continue existing relations with and commitments to the Nationalist Chinese Government (Republic of China); resolves also to continue to oppose the Chinese Communists in their bid for recognition in the United Nations; and continues to oppose diplomatic recognition of the Chinese Communists by the President of the United States.

Reemployment of Foreign Service personnel

S. 644—Passed Senate March 29, 1961, pending in House Foreign Affairs Committee:

Section 872(b) of the Foreign Service Act of 1946, as amended, requires the agency of the Federal Government reemploying a Foreign Service annuitant to pay to the Department of State funds necessary to cover salary, employer contribution, and leave payments, and the Department in turn pays to the annuitant the portion of his salary that he is entitled to and the portion of his annuity that he is entitled to, making withholdings and deductions as required by law.

This bill is designed to simplify this procedure in some cases by allowing these fiscal arrangements to be handled either entirely by the Department as the law now provides or to be shared between the Department of State and the agency which employs the retired officer.

It also revises section 872(c) of the Foreign Service Act of 1946, as amended, having to do with the recovery of excess payments, to accord with the change which the bill would make in section 872(b). Excess payments, if any, would result from overpayment of annuity. Generally, the State Department would recover the overpayment from subsequent amounts due the annuitant from the Department. However, authority is granted to permit recovery from the salary due so that, in death cases, all available sources could be utilized for the recovery of overpayments.

U.S. Arms Control and Disarmament Act

H.R. 9118—Public Law 87-297, approved September 26, 1961:

This measure establishes a U.S. Arms Control and Disarmament Agency to deal with the problem of reduction and control of armaments looking toward ultimate world disarmament.

The major provisions are:

Purpose: The purpose of the act is to establish an agency to give impetus to the U.S. goals of a world which is free from the scourge of war and the dangers and burdens of armaments, in which the use of force has been subordinated to the rule of law and in which international adjustments to a changing world are achieved peacefully.

Organization: Provided that the independent Agency be headed by a Director, appointed by the President and confirmed by the Senate ($22,500 a year). Provided for a Deputy Director, also appointed by the President and confirmed by the Senate ($21,500 a year); four Assistant Directors appointed by the President and confirmed by the Senate ($20,000 a year). Authorizes the Director, under the supervision of the Secretary of State, to establish the necessary bureaus, offices, and divisions, including an Office of the General Counsel. Authorizes the President to appoint a 15-member General Advisory Committee, to be confirmed by the Senate, to advise the Director on arms control and disarmament policy and activities.

Functions

Research: Authorizes the Agency to (1) conduct research, development, and studies in this field; (2) make arrangements, through contracts, agreements, and grants, among other methods, for the conduct of such research, development, and other studies by private or public institutions or persons; and (3) coordinate research, development, and other studies conducted by or for other Government agencies, under the provisions of section 35 which provides the mechanism for coordinating these activities among the affected Government agencies and for resolving differences among them.

Patents: Provides that appropriated funds may not be expended for any technological research or development activity unless the expenditure is conditioned upon provisions effective to insure that all information, uses, products, processes, patents, and other developments resulting from that activity will be made freely and fully available to the general public (unless limited by the Director for national defense purposes).

Policy negotiations: Authorizes the Director to prepare for the President, the Secretary of State, and the heads of such other Government agencies as the President determines necessary, recommendations concerning disarmament policy, consultation, and communication with representatives of other nations, international organizations, and diplomatic representatives of the United States at home and abroad to conduct negotiations concerning disarmament or to exercise any other authority in the act; to provide the USIA with official U.S. positions and policy on disarmament matters for dissemination abroad; and to formulate plans to establish and operate inspection and control systems which may become part of U.S. disarmament activities and the direction or assumption of U.S. responsibility for these systems.

Coordination: Authorizes the President to establish procedures to assure cooperation, consultation, and a continuing exchange of information between the new Agency, the Department of Defense, AEC, NASA, and other affected Government agencies in all significant aspects of U.S. disarmament policy, and to resolve differences of opinion between the Department of State and such agencies which cannot be resolved through consultation. This provision provides the mechanism for coordinating these activities among the affected Government agencies and for resolving differences among them.

General Provisions

Security: Requires full fields by the Civil Service Commission on all employees including consultants and, in the event the investigation discloses information which indicates the person may be a security risk, the report is to be turned over to the FBI for further investigation.

Appropriations: Authorizes an appropriation of $10 million to get the Agency started and to remain available until expended. This will permit Congress to review the Agency's growth and direction when these funds have been exhausted.

Report: The Director must make a report to the President for transmittal to Congress by January 31 of each year on the activities of the Agency.

U.S. Travel Service

S. 610—Public Law 87-63, approved June 29, 1961:

To strengthen the domestic and foreign commerce of the United States, this measure authorizes an appropriation of $3 million (for the first year) to establish and maintain a U.S. Travel Service within the Department of Commerce. Thereafter the annual appropriation is not to exceed $4,700,000.

To carry out the idea of encouraging expanded foreign travel to the United States and facilitating international travel generally, this program initiates a broad national campaign to attract foreign visitors through advertising, through promotional materials, and by establishing Government travel offices in selected oversea locations. The program also provides for cooperation with private industry in developing domestic facilities designed to meet the special requirements of foreign visitors. In addition, provision is made for coordinating all Government efforts to ease barriers to international travel.

The U.S. Travel Service will be headed by a Director appointed by the President and confirmed by the Senate, at $19,000 a year.

White Fleet—Emergency assistance

Senate Resolution 154—Senate adopted June 1, 1961:

The Senate unanimously adopted this resolution to express the sense of the Senate that it supports the establishment by the President of a White Fleet—a force of mercy ships ready to rush assistance to disaster areas in any coastal region of the world, as well as to carry on a regular program of logistics support in the field of public health and other works of technical assistance.

This fleet could be established by restoring to active service the equipment of suitable vessels of the United States now mothballed in storage, to be operated by appropriate nonprofit, private, philanthropic organizations of the United States devoted to providing emergency aid and assistance to relieve human suffering.

JUDICIAL

Additional judicial district for Florida

S. 1824—Passed Senate August 17, 1961. Pending in House Judiciary Committee:

Creates a third judicial district for the State of Florida to be known as the middle district. There is need for the additional district and a reapportioning of the present districts due to the tremendous population growth in the State and the increased workload for the courts—especially the court of the south district where there has been an increase of 125 percent in the caseload in the last 20 years.

Appeals from the Supreme Court of Puerto Rico

H.R. 7038—Public Law 87-189, approved August 30, 1961:

Transfers the appeal from the Supreme Court of Puerto Rico from the Court of Appeals of the First Circuit to the Supreme Court of the United States. In practice, the Court of Appeals of the First Circuit will not reverse the Puerto Rico Supreme Court upon a point of local law unless the decision is inescapably wrong or patently erroneous.

International rules of judicial procedure

H.R. 8490—Public Law 87-324, approved September 26, 1961:

Extends the life of the Commission and Advisory Committee on International Rules of Judicial Procedure until December 31, 1963. The Commission was established in 1958 to investigate and study existing practices of judicial assistance and cooperation between the United States and foreign countries with a view to achieving improvements.

Judgeship bill—Omnibus

S. 912—Public Law 87-36, approved May 19, 1961:

Congress enacted a measure long overdue—that of providing the Nation with 73 additional judgeships. Of the 73, 10 are Federal circuit judges, 61 permanent district judges, and 2 temporary district judges. In addition, four existing temporary district judgeships were made permanent.

Of the 10 new circuit judges, 3 are for the 2d circuit, which comprises New York, Connecticut, and Vermont; 1 for the 3d circuit—Delaware, New Jersey, Pennsylvania, and Virgin Islands; 2 for the 4th circuit—Maryland, North Carolina, South Carolina, Virginia, and West Virginia; 2 for 5th circuit—Alabama, Florida, Georgia, Louisiana, Mississippi, and Texas; 1 for 7th circuit—Illinois, Indiana, and Wisconsin; 1 for 10th circuit—Colorado, Kansas, New Mexico, Oklahoma, Utah, and Wyoming.

Of the 61 district judges, 1 for northern district of Alabama; 1 for Alaska; 1 for Arizona; 1 for Arkansas to serve in eastern and western districts; 2 for northern California; 2 for southern California; 1 for Colorado; 2 for Connecticut; 2 for southern Florida; 1 for northern Georgia; 2 for northern Illinois; 1 for northern Indiana; 1 for southern Indiana; 1 for Iowa to serve in northern and southern districts; 1 for Kansas; 2 for eastern Louisiana; 1 for western Louisiana; 2 for Maryland; 1 for Massachusetts; 2 for eastern Michigan; 1 for southern Mississippi; 1 for western Missouri; 1 for Nevada; 1 for New Jersey; 2 for eastern New York; 6 for southern New York; 1 for eastern North Carolina; 1 for western North Carolina; 1 for middle district of North Carolina; 1 for northern Ohio; 1 for Oklahoma to serve in northern, eastern, and western districts; 3 for eastern Pennsylvania; 1 for middle district of Pennsylvania; 2 for western Pennsylvania; 1 for Puerto Rico; 1 for South Carolina to serve in eastern and western districts; 1 for eastern Tennessee; 1 for middle Tennessee; 1 for western Tennessee; 2 for northern Texas; 1 for southern Texas; 1 for western Texas; 1 for Washington State to serve in eastern and western districts.

The two temporary district judgeships created one each for northern Ohio and southern Ohio.

The four temporary district judges made permanent were middle Georgia, New Mexico, western Pennsylvania, and Utah.

The judgeships created but not recommended by the Judicial Conference were: one for the third circuit; one district judge to serve in eastern and western districts of Arkansas; one for middle district of North Carolina; one for Oklahoma to serve in northern, eastern, and western districts.

Judgment and compromise settlements

H.R. 6835—Public Law 87-187, approved August 30, 1961:

Provides for the swift payment of judgments and compromise settlements against the U.S. Government won by State and foreign claimants. Money may be drawn from the permanent indefinite appropriation established by the Automatic Payment of Judgments Act, unless such funds are already provided for by the agency against whom the case is brought. Certification by the Attorney General as to the proper rendering of the case must be obtained before payment.

Jury commissioners

S. 1899—Passed Senate August 2, 1961. Pending in House Judiciary Committee:

Increases the fees of jury commissioners in the U.S. district courts from the present $5 (as established in 1884) to $10 per diem for each day employed in the performance of duties.

Retired circuit and district judges

H.R. 5255—In conference:

Clarifies the status of a retired circuit or district judge in regards to his further service on the bench. A judge, whether or not he is retired, who has sat on an issue in an appellate hearing on which a rehearing is ordered may be a member of the court at the rehearing. If a retired circuit judge has sat as a judge on the precise subject matter at issue before the court, he becomes competent to sit as a member of the court. A retired judge must not be a member of the court when the court appoints its officers or promulgates its rules. A retired judge must not be a member of the judicial council.

Tax Court judges—Widows

H.R. 4317—Public Law 87-370, approved October 4, 1961:

Provides a survivor annuity system for widows and dependent children of Tax Court judges, substantially identical to the survivor annuity system provided for Federal judges. The maximum benefit to a widow of a Tax Court judge is $8,437.50 a year based on 30 years' service at $22,500. The maximum additional benefit for dependent children is $360 per child with an overall limitation of $900. To qualify for this maximum benefit the judge must make contributions of 3 percent of his salary for 30 years or a total of $20,250.

Requires that the judge must have at least 5 years' covered service to qualify for survivor benefits. Widows will receive annuities starting at age 50 unless there are dependent children, in which case benefits will begin immediately. A widow's benefit will terminate on her death or remarriage, and children's benefits will terminate on death, marriage, or attaining age 18.

Provides that in computing the annuity for a widow of a Tax Court judge, service in the executive branch is to be taken into account at rate of three-fourths of 1 percent.

Insures that amounts contributed by a State or local government toward the purchase price of an annuity for an employee of a public school system will qualify for the 20-percent exclusion allowed by section 403(b) of the Internal Revenue Code in the same manner and to the same extent as if the annuity were purchased for an employee of an organization described in section 501 (c)(3) relating to educational, charitable, and religious organizations.

U.S. courts—Relief appeals

H.R. 5656—Public Law 87-225, approved September 13, 1961:

Substitutes a requirement of reasonable notice in lieu of 5 days' notice on applications for interlocutory relief against orders of the Federal Communications Commission, the Department of Agriculture, the Federal Maritime Board, the Atomic Energy Commission, the Civil Aeronautics Board, and the Federal Aviation Administration.

The requirement of 5 days' notice has, at times, prevented a court of appeals from acting with sufficient promptness in urgent cases. This act gives to the courts of appeals in which the interlocutory relief is sought the discretion to determine the amount of notice which is reasonable in the circumstances.

LABOR

Additional Assistant Secretary of Labor

S. 1815—Public Law 87-137, approved August 11, 1961:

Establishes a new Assistant Secretary (making four) of Labor. The new Assistant Secretary's duties will be primarily related to the problems and needs of women in the Nation's labor force.

The Assistant Secretary will be responsible for efforts to improve salary and benefit status of the 24 million women workers, as well as to improve education, training, and retraining of women.

Agricultural workers—Fair labor standards

S. 1123—Passed Senate September 1, 1961. Pending in House Labor Committee:

This legislation amends the agricultural child labor provisions of the Fair Labor Standards Act. These provisions presently provide that a child below the age of 16 may not be employed in agricultural work during regular school hours. There is a total exemption, however, for agricultural work outside school hours—that is, a child of any age may be employed in agriculture before and after classes during a regular school session or during vacation periods. This bill narrows the exemptive area with regard to agricultural work outside school hours. It does not affect the 16 age minimum already applicable to agricultural work during regular school hours.

Specifically, it permits a child to be employed in agricultural work outside of school hours—

1. If he is employed by his parents on the home farm; or
2. If he is 14 years of age or over; or
3. If he is between 12 and 14 years of age and works within 25 miles of his home with the written consent of his parents.

The bill also makes any employer of a child, other than the child's parent, employed in agriculture under the age of 18 strictly liable for disability or death arising out of such employment. If, however, the employment is covered by a State workmen's compensation law, the employer's liability is discharged.

Interstate farm labor contractors—Registration

S. 1126—Passed Senate August 25, 1961. H.R. 7812—On House Calendar:

Establishes a system of Federal registration for farm labor contractors. Each labor contractor must obtain annually a certificate of registration from the Secretary of Labor; to obtain this certificate, he must

comply with specified obligations, such as giving satisfactory information concerning his conduct and method of operation as a farm labor contractor. The certificate may be withdrawn if violations have been committed such as giving false information to migratory workers concerning the terms, conditions, or existence of agricultural employment or failure to comply with working arrangements made with migratory workers or failure to comply with applicable Interstate Commerce Commission regulations.

Longshoremen and harbor workers—Amendment

H.R. 1258—Public Law 87-87, approved July 14, 1961:

This measure amends the Longshoremen's and Harbor Workers' Compensation Act by—

Increasing the maximum level of weekly compensation benefits payable to workers or to the beneficiary of workers within the coverage of the act who are injured or disabled within the court of their employment from $54 to $70;

Providing comparable increases in death cases, adjusting the ceiling on average weekly wages from $81 to $105; and

Increasing the statutory maximum compensation payable for all injuries other than cases of permanent total disability or death from $17,280 to $24,000.

The Longshoremen's Act establishes the standards for workmen's compensation for workers employed within the admiralty and maritime jurisdiction of the United States and by extension constitutes the workmen's compensation law for employees privately employed in the District of Columbia, for U.S. citizens employed by contractors with the Federal Government outside the continental United States, and for employees of employers engaged in operations on the Outer Continental Shelf. The benefits under these acts are paid by private employers or their insurers and not by the Governemnt.

Manpower Development Training Act of 1961

S. 1991—Passed Senate August 23, 1961, H.R. 8309—House Calendar:

This measure authorizes a 4-year, $655 million manpower training program to help alleviate the unemployment problem by enabling workers whose skills are obsolete to receive training which will qualify them to obtain and hold jobs, with priority given to unemployed persons including those in farm families with a net income of less than $1,200 a year.

Training allowances: Maximum of 52 weeks, with payments primarily equal to unemployment compensation payments.

Trainee selection: Primarily for unemployed persons who cannot reasonably be expected to secure full-time employment without training; includes persons with 3 years' working experience who are heads of families or households; grants the Secretary discretionary authority to permit occupational training of youths over 16 and under 22 in certain exceptional cases, however, no more than 5 percent of the total allowances may be used for this age group.

On-the-job training: Provides for a stepped-up program of promoting on-the-job training. Reduced training allowances will be available for those undergoing part-time vocational training as part of the on-the-job training program.

Travel and subsistence: Modest payments can be made to individuals receiving allowances away from home.

Employment guidance: Special programs for employment guidance and counseling where the Secretary of Labor finds the school dropout problem acute.

Safeguards: To prevent its benefits from being used in "pirating" industry from one location to another; to require that States maintain existing levels of expenditure for vocational training from their own funds; and to encourage prospective trainees to accept training opportunities rather than remain on unemployment compensation.

Report: Requires an annual manpower report to the President for transmission to Congress.

Estimated number of trainees: 110,000 full-time vocational trainees and 50,000 on-the-job trainees the first year; 160,000 and 125,000, respectively, the second year; 430,000 and 200,000, respectively, the third and fourth years with a 50-percent requirement for State matching.

Appropriations: $50 million for fiscal 1962; $165 million for fiscal 1963; $200 million each for fiscal years 1964 and 1965—with 50-percent State matching requirement.

Migratory farmworkers—Educational opportunities

S. 1124—Passed Senate August 25, 1961. Pending in House Labor Committee:

Authorized a 5-year program to aid in the education of the children of migratory workers. The Federal Government will pay 100 percent of the program the first 2 years and the States and Federal Government will match costs for the next 3 years. Federal assistance will be given the States to help defray costs for education during the regular school session; the child must attend school in a State for at least 5 days before assistance would be available; $300,000 would be provided annually for summer schools for migratory children; $250,000 would be granted annually to provide interstate planning and coordination of the educational programs; $200,000 annually would be authorized to help pay for pilot projects for fundamental, practical education for adult migratory workers. The program would be administered by the U.S. Commissioner of Education.

Migratory health services

S. 1130—Passed Senate August 25, 1961. Pending in House Interstate and Foreign Commerce Committee:

Authorized $3 million annually in Federal grants to public or nonprofit agencies and organizations for paying part of the cost of establishing and operating family health clinics and special health projects for domestic migratory farm families. The Surgeon General may also appoint an expert advisory committee to assist him in the administration of the program. The program would operate through local, State, and Federal health agencies.

Migratory Labor National Advisory Council

S. 1132—Passed Senate September 1, 1961. Pending in House Labor Committee:

Establishes a 15-member National Advisory Council on Migratory Labor to advise the President and Congress on the operation of Federal laws, regulations, programs, and policies, and any and all other matters relating to migratory agricultural labor. The Council is to consider, analyze, and evaluate the problems with a view to devising plans and making recommendations for establishing policies and programs to meet these problems.

The 15 members are to be divided as follows:

Three from private life to represent the farmer; three from private life with interest in and general knowledge of migratory labor problems; three from private life with experience in health, education, and welfare problems of migratory labor; three from private life to represent the migratory agricultural worker; and three with experience as State officials and knowledge of migratory labor problems. One will be designated by the President as Chairman of the Council and one as Vice Chairman. The Council is authorized to employ a permanent staff director and other personnel as required.

Minimum wage

H.R. 3935—Public Law 87-30, approved May 5, 1961:

Congress enacted and the President signed into law a measure extending coverage to 3,624,000 workers and an ultimate increase to $1.25 for presently covered workers. As enacted the amendment to the Fair Labor Standards Act of 1938 will—

1. Increase the minimum wage for presently covered employees to $1.15 an hour for the first 2 years after the effective date and $1.25 an hour beginning 2 years after the effective date (23.9 million).

2. For newly covered employees the minimum wage and overtime will be—

First year after effective date $1, no overtime requirements;

Second year $1, no overtime requirements;

Third year $1, 44 hours a week;

Fourth year $1.15, 42 hours a week;

Fifth year $1.25, 40 hours a week.

3. Cover (3,624,000 newly covered):

(a) Retail and service enterprises: Covers retail enterprises which have a million dollars or more in annual sales (exclusive of excise taxes at retail level) and which purchase or receive goods for resale that move or have moved across State lines which amount in total annual dollar volume to $250,000 or more—2,182,000 employees.

(b) Gasoline service stations which have $250,000 or more in annual sales (exempt from overtime)—86,000 employees.

(c) Suburban and interurban transit companies which have $1 million or more in annual sales (exclusive of excise taxes at the retail level) covered for minimum wage but not overtime—93,000 employees.

(d) Establishments which have some covered employees, all employees are covered if they are in an enterprise which has $1 million or more in annual sales—10,000 employees.

(e) Construction enterprises which have at least $350,000 in annual business covered for minimum wage and overtime—1 million employees.

(f) Seamen on American-flag vessels covered for minimum wage but not overtime—100,000 employees.

(g) Telephone operators, but exempts those employed by an independently owned public telephone company which has not more than 750 telephones—30,000 employees.

(h) Seafood processing employees for minimum wage but not overtime—33,000 employees.

4. Exclude from coverage in the retail trade: Auto dealers and farm implement dealers, hotels, motels, restaurants including retail store lunch counters, caterers and similar retail food services, motion picture theaters, hospitals, nursing homes, schools for handicapped or gifted children, amusement or recreational establishments operating on a seasonal basis, and any small store which has less than $250,000 in annual sales even if it is an enterprise that has more than $1 million in annual sales.

5. Provide for special problems in retail and service trades:

(a) Commission employees in retail stores exempt from overtime if more than half their pay is from commissions and if they earn at least time and one-half the minimum rate.

(b) Assistant managers of retail stores exempt even if they perform up to 40 percent nonexecutive and nonadministrative work.

(c) Student workers may be employed in retail trades at subminimum rates under certificates issued by the Secretary in occupations not ordinarily given to full-time employees.

6. Exclude the proposed new coverage and the changes in exemptions for laundries that were contained in the Senate-passed bill. (Existing law remains the same for laundries.)

7. Provide other exemptions.

(a) Announcers, news editors, and chief engineers of broadcasting companies located in nonmetropolitan cities of 100,000 or less population exempt from overtime.

(b) Independently owned and controlled local enterprises engaged in bulk petroleum distribution exempt from overtime if their annual sales are less than $1 million (exclusive of excise taxes).

(c) Trip rate drivers and drivers' helpers making local enterprises exempt from overtime if the Secretary of Labor finds that the plan under which they are paid is consistent with the principle of the 40-hour workweek.

(d) Employees working in a livestock auction held by a farmer need be paid the minimum rate only for the hours they work at the auction if during that workweek they are employed primarily in agriculture by the farmer.

(e) Employees in country elevator establishments in the area of production exempt from both minimum wage and overtime if they have no more than five employees.

(f) Employees engaging in ginning cotton for market in counties where cotton is grown in commercial quantities exempt from minimum wage and overtime.

(g) Homeworkers making natural holly wreaths exempt from the act.

(h) Agricultural employees engaged in bulking shade-grown tobacco if they were employed in the growing and harvesting of the tobacco exempt from minimum wage and overtime.

(i) Employees transporting fruits and vegetables from the farm to market or transporting harvesting hands within the State exempt from minimum wage and overtime.

8. Include board and lodging as wages on the basis of a fair-value calculation made by the Secretary; also such prerequisites may be excluded from wages to the extent that they are excluded under a collective-bargaining agreement.

9. Authorize the Secretary of Labor to study employment effects of imports and exports in industries covered by the act and report the results to the President and Congress.

10. Authorize the Secretary to study the exemptions in the act for handling and processing agricultural products as well as the rates of pay in hotels, motels, restaurants, and other food-service enterprises and report the results with recommendations to the next session of this Congress.

11. Increase the minimum wage in Puerto Rico for presently covered employees by the same percentage as the mainland minimum, subject to review by industry committees in hardship cases; for newly covered employees the rates will be set by industry committee procedures.

12. Be effective 120 days after enactment.

Railroad retirees

S. 2395—Public Law 87-825, approved September 22, 1961:

To bring the railroad retirees in line with the beneficiaries of social security, this amendment provides that men as well as women can obtain a reduced annuity after attainment of age 62 even though they do not have 30 years of creditable service. The reduction would be by one one-hundred-and-eightieth for each calendar month the applicant is under age 65 when the annuity begins to accrue.

The requirement of at least 10 years' service for eligibility for any retirement annuity remains unchanged, as does the right of a woman with 30 years' service to obtain a full annuity at age 60 and the right of any individual to obtain a full annuity before age 65 on the basis of disability.

Reduces from 3 years to 1 the time required to elapse after marriage before any wife or husband who is otherwise eligible for a spouse's annuity can qualify.

The measure also provides that women who had qualified for an annuity under the Railroad Retirement Act as a widow before their marriage not to be disqualified for an annuity as the widow of the new husband if he dies within 1 year of the marriage.

NATURAL RESOURCES

Arizona-Nevada compact

S. 133—Public Law 87-50, approved June 16, 1961:

This act grants congressional approval to a compact between the States of Arizona and Nevada to establish a boundary line.

Due to the meandering of the Colorado River in the Mohave Valley, the location of the center of the channel of the river is uncertain which makes uncertainty as to the State line between Arizona and Nevada.

Boundary is to be established between the States along the Colorado River between the point where the Nevada-California boundary intersects the 35th degree of latitude north and Davis Dam.

The right to alter, amend or repeal the act is reserved.

Arizona and Nevada ratified the compact early in 1960.

Blue Ridge Parkway

H.R. 6067—Public Law 87-135, approved August 10, 1961:

Authorizes $35,000 for a survey of a proposed national parkway, an extension of the Blue Ridge Parkway, along the crest of the Blue Ridge Mountains and through the mountains of Georgia.

Cape Cod recreation area

S. 857—Public Law 87-126, approved August 7, 1961:

This measure provides for the establishment on Cape Cod of a unit of the national park system to preserve the great beach area of Cape Cod as well as continguous lands suitable and desirable for recreational purposes.

The basic idea behind this proposal is to promote the area's unique, cultural, scenic, historic, scientific, and recreational values. The area of about 26,670 acres will contain sections of Provincetown, Truro, Wellfleet, Eastham, Orleans, and Chatham and about 53 miles of beaches, 8 square miles of sand dunes, 20 freshwater lakes and important historic sites. Authorizes $16 million in contract authority to acquire land in the seashore.

Chief Joseph Dam project, Washington

S. 1060—Passed Senate September 15, 1961. Pending in House Interior and Insular Affairs Committee:

Authorizes funds up to $3,216,900 to construct control works and a pumping plant at Palmer Lake to enlarge the facilities to irrigate an additional 1,500 acres and supply about 3,650 acre-feet of supplemental water annually to the remaining irrigable area.

Delaware River Basin Compact

House Joint Resolution 225—Public Law 87-328, approved September 27, 1961:

Establishes the Delaware River Commission as a regional agency with jurisdiction over the Delaware River Basin including territory of each of the States of New York, Pennsylvania, New Jersey, and Delaware. The Commission is to have the character of both a State agency of each of the four States as well as an agency of the Federal Government, and its membership is to consist of the four Governors, ex officio, and one commissioner to be appointed by the President. Each member is to have a single vote and, in most instances, majority vote would control.

The Commission is to have a wide variety of regulatory and administrative authority to develop basin water resources. Its various duties would include planning and execution of the development of water resources by acquiring or building and operating and maintaining dams, reservoirs, and similar facilities, to regulate flow of water for quality control, flood control, to encourage and promote sound watershed management, recreation, hydropower and its transmission.

The compact is for 100 years unless a State legislature or Congress gave notice of termination between the 75th and 80th year.

Disposal of certain Federal property

S. 1085—Public Law 87-151, approved August 17, 1961:

Authorizes sale at public auction of Federal Government land located near irrigation projects in Idaho, Wyoming, and Washington. The land now is used for operational and maintenance facilities which are old and in need of replacement. The money realized on the sale of the land will be used to replace the old facilities at a more convenient location.

Kaskaskia River, Ill., navigation

S. 520—Passed Senate September 19, 1961. Pending in House Public Works Committee:

Authorizes modification of the existing project at an estimated cost of $58,200,000 to improve the channel between Fayetteville and the mouth, with modification of storage allocations in Carlyle and Shelbyville Reservoirs.

Lead-zinc subsidies

H.R. 84—Public Law 87-347, approved October 3, 1961:

Authorizes the Secretary of Interior to pay small producers of lead 75 percent of the difference between 14½ cents a pound and the market price, and 55 percent of the difference between 14½ cents a pound and the market price of zinc.

To be eligible the small producer must have been actually producing ores within the United States or its possessions, and must not have produced or sold more than 3,000 tons of lead and zinc combined during any 12-month period between January 1, 1956, and the first day for which he seeks payment.

To assure the benefits of the bill for legitimate small producers, the maximum production eligible for stabilization payments would be 1,500 tons of each metal during calendar year 1962, 1,200 tons of each metal during calendar 1963, 900 tons of each metal during calendar 1964, and 600 tons of each metal during calendar 1965.

A producer cannot be paid in any calendar year, however, for any tonnage in excess of his maximum production during any calendar year between January 1, 1950, and December 31, 1960.

Payments will be made only on ores and concentrates produced from an operating unit in actual operation sometime between January 1, 1956, and August 1, 1961.

Operators of properties obtained after August 1, 1961, will be ineligible for payments unless they had produced ores or concentrates from a mine specified in a lease, permit, or contract sometime between January 1, 1956, and August 1, 1961.

Producers operating leased facilities cannot obtain payment under the bill if the use of the facility was obtained after the effective date of the act from another producer of lead and zinc who has leased a greater portion of his mining properties to other producers than he had made available in that manner at his highest production level between January 1, 1956, and the effective date of this act.

Little Missouri River compact

S. 1139—Passed Senate September 15, 1961. Pending in House Interior and Insular Affairs Committee:

Extends for 4 years the period for negotiation for apportioning the waters of the Little Missouri and its tributaries with the States of Montana, North Dakota, South Dakota, and Wyoming.

Maryland land preservation

House Joint Resolution 459—Public Law 87-362, approved October 4, 1961:

Authorizes Secretary of Interior to purchase approximately 1,200 acres on the Potomac River opposite Mount Vernon to preserve the site from George Washington's home as it existed in his lifetime.

Mid-State reclamation project, Nebraska

S. 970—Passed Senate September 21, 1961. Pending in House Interior and Insular Affairs Committee:

This bill authorizes the Secretary of Interior to construct, operate, and maintain the midstate reclamation project in Nebraska and authorizes its inclusion in the Missouri River Basin project so that it may be integrated, physically and financially, with the other Federal works of the Missouri River Basin project.

This reclamation project will provide a regulated gravity and well combination water supply for approximately 140,000 acres of land and will replenish and stabilize the aquifer from which about 4,600 irrigation wells are pumping ground waters within the boundaries of the district. In addition, the development will produce substantial flood control, recreation, and fish and wildlife benefits and provision is also made for initial irrigation pumping power and for ultimate development of commercial power.

The total cost of the project is estimated at $81,467,000 with the major part of it repayable within the 40-year contract period.

Migratory waterfowl—Conservation

H.R. 7391—Public Law 87-383, approved October 4, 1961:

This measure authorizes for a 7-year period, beginning with fiscal 1962, an appropriation not to exceed $105 million to purchase wetlands to be used by wild birds, particularly waterfowl.

This appropriation is merely an advance to enable the Federal Government and the State to purchase the necessary lands as a conservation measure to preserve the migratory waterfowl. The $50 million will be repaid to the Treasury from the proceeds of the revenue received from the sale of the so-called duck stamp which, at present, amounts to some $4 million a year. It is estimated that receipts in future years will average between $5 and $6 million a year and, as required by this act, 75 percent of the duck-stamp fund will be used to reimburse the Treasury until the entire amount is repaid.

The bill requires approval by the Governor of the State involved or the appropriate State agency before funds from the migratory bird conservation fund can be used to purchase the necessary land.

Mineral lands

S. 1674—Passed Senate July 27, 1961. Pending in House Interior and Insular Affairs Committee:

Grants greater flexibility to the Secretary of the Interior to enter into agreements to lease certain lands having mineral deposits in which the Federal Government has a partial or future interest. Under existing law these lands can only be leased by competitive bidding. This system tends to encourage present holders of the land to extract any minerals, regardless of sound conservation practices, for fear of losing the lease in a competitive bid; other prospective bidders, however, are discouraged from making offers by the uncertainty as to what minerals may be left on the land once they acquire it.

National fuels policy

Senate Resolution 105—Senate adopted September 11, 1961:

Authorizes the Senate Interior and Insular Affairs Committee to (1) make a complete investigation and study of the current and prospective fuel and energy resources of the United States and their future consumption; (2) study existing and prospective governmental policies and laws affecting fuels to determine what changes should be made in order to provide an effective national fuels policy now and for the future.

The committee is to make a report of its findings by January 31, 1962.

National historical park—C. & O. Canal

S. 77—Passed Senate August 2, 1961. Pending in House Interior and Insular Affairs Committee:

Establishes a Chesepeake & Ohio Canal National Historical Park on 4,800 acres of federally owned property, with an authorization of up to $1,500,000 to buy 10,200 acres of adjacent land to permit development of adequate service facilities for the park.

Natural gas for industrial use

S. 1595—Passed August 14, 1961. Pending in House Interstate and Foreign Commerce Committee:

This bill applies the same procedure of suspending rates for the sale of natural gas for resale for industrial use as applies with respect to domestic users. Thus, the Federal Power Commission may suspend the effective date of a new rate up to a period of 5 months, plus a 30-day notice period, while investigations are made concerning the rate increase.

Navajo-San Juan-Chama projects

S. 107—Passed Senate March 28, 1961. H.R. 7596—House Calendar:

This measure authorizes $221 million in appropriations to construct the Navajo Indian irrigation project and the San Juan-Chama project to irrigate a total of 231,530 acres of land, to supplement water supplies for domestic and industrial uses, and to provide recreation and fish and wildlife benefits. The Navajo project is in New Mexico and the San Juan-Chama project is in Colorado and New Mexico.

The primary purpose of the Navajo project is to provide approximately 17,000 Navajo Indians with an economy equal to the non-Indians. The San Juan-Chama project will improve and stabilize the economy of the water-deficient Rio Grande and Canadian Basins of New Mexico by providing supplemental water to meet rapidly expanding needs.

Approximately $106,600,000 of the $221 million is reimbursable, with interest, over a 50-year period.

Oceanography

S. 901—Passed Senate July 28, 1961. Pending in House Merchant Marine and Fisheries Committee:

Authorizes a $700 million, 10-year national program of oceanographic and Great Lakes research, comprehensive in its scope, and recommended by the President as an international and worldwide program, designed to:

Coordinate all related programs now carried on by separate Government agencies and bureaus.

Provide for participation in this national program by educational and scientific institutions and laboratories, State agencies, associations, organizations, industries, and other qualified groups and individuals who can make a contribution to our scientific knowledge of the oceans and Great Lakes.

Increase our security from enemy sea or undersea attack; augment the efficiency of our undersea forces; advance underwater communications; improve commerce and navigation and safeguard it against disruption in the event of a national emergency; increase accuracy of long-range weather forecasts; enable mankind to foresee climatological changes of world significance; afford greater protection to life and property from violent storms; restore and expand our fisheries; alleviate the protein deficiency in the diets of millions all over the world; reveal ocean deposits of scarce and strategic minerals; expand our knowledge of fossil fuels; diminish pollution dangers from atomic and other wastes; and facilitate new medical discoveries.

Authorizations to National Science Foundation include $9,950,000 to construct research ships; $12,440,000 to operate them over a 10-year period; $37,200,000 for basic marine research activities with a limit of $8 million in any one year; $10 million a year for specialized oceanographic instruments or equipment for research and exploration; funds to construct shore facilities; and $4,800,000 for education and training in marine sciences with a limit of $480,000 in any one year. Other sums are authorized as would be necessary to meet the requirements for new ships, etc.

Requires the Budget Bureau to furnish an exact accounting to Congress each year for all funds spent and bars funds for technological research or development unless the information is made available to the public.

Oceanographic research—Coast Guard

H.R. 6845—Public Law 87-396, approved October 5, 1961:

Permits the U.S. Coast Guard to conduct oceanographic research, either independently or in cooperation with other Government agencies, as may be in the national interest.

The Coast Guard already has the necessary ships in service to permit far-reaching marine studies at minimum cost. There are 217 ships in the Atlantic, 99 in the Pacific, and 31 on the Great Lakes, of which many are large and well adapted to certain types of scientific research. The Coast Guard has already made notable accomplishments in the oceanographic research it has conducted in direct support of the Ice Patrol. It is anticipated that these endeavors, can be extended to every part of the oceans and the Great Lakes where Coast Guard vessels operate.

Outer Continental Shelf

S. 981—Passed Senate August 2, 1961. Pending in House Interior and Insular Affairs Committee:

Extends the authority of the Secretary of the Interior to permit the Geological Survey to perform certain of its work in areas outside the continental limits of the United States (i.e., the Outer Continental Shelves and the ocean floor). Such studies outside the continental United States can now only be conducted by the Survey if requested and financed by other Government agencies.

Point Reyes National Seashore, Calif.

S. 476—Passed Senate September 7, 1961. Pending in House Interior and Insular Affairs Committee:

To preserve a portion of the few remaining shoreline areas for public recreation, this bill establishes a 53,000-acre area of the Point Reyes Peninsula, beginning approximately 15 miles north of the entrance to the Golden Gate Channel of San Francisco Bay and extending northward for 45 miles. Approximately 26,000 acres within the 53,000-acre national seashore has been set aside to preserve most of the ranching and dairying lands as a pastoral zone. Thus, as long as this 26,000 acres are maintained for their present purposes, the Department of the Interior will not acquire this land.

In this seashore area, the following types of facilities will be provided for use by the public:

Approximately 25 miles of new roads will be built, supplemented by hiking and riding trails.

Campgrounds will be established in suitable locations.

Bathhouses, shelters, comfort stations, water, food concessions, picnic facilities, and parking areas.

Docks will be constructed for boating purposes; riding stables will be erected and operated on a concession basis; five overlook

developments will be built and a headquarters development will be programed to include employee housing, utility buildings, power service, water, and sewage disposal.

The existing commercial fisheries at Drakes Bay and the existing oyster cannery at Drakes Estero will be continued under private operation but with added facilities.

Authorized an appropriation of $14 million to acquire the land.

Recreational facilities at Elephant Butte and Caballo Reservoir areas

S. 46—Passed August 29, 1961. Pending in House Interior and Insular Affairs Committee:

Provides for the establishment of recreational facilities at Elephant Butte Reservoir, which will cost approximately $458,000 and also facilities at Caballo Reservoir which will cost approximately $149,000. These reservoirs could be used for fishing, boating, and vacationing by the residents of New Mexico and Texas and others. The facilities which now exist are not adequate to meet the increasing needs. The new facilities would in no way threaten the allocation of water for irrigation and other uses. Provision is made so that an agreement can be made with the State of New Mexico for the administration of the facilities.

Saline water conversion program

H.R. 7916—Public Law 295, approved September 22, 1961:

This measure extends the saline water conversion program, enacted in 1952, from 1962 through 1967 and authorizes a total appropriation of $75 million, but does not limit the annual appropriation to a pro rata share of the total amount.

In view of the increasing shortage of usable surface and ground water in many parts of the Nation and the importance of finding new sources of supply to meet the present and future water needs, this program is designed to provide for developing a practicable low-cost means for the large-scale production of water of a quality suitable for municipal, industrial, agricultural, and other beneficial consumptive uses from sea and other saline waters and other mineralized or chemically charged waters, and for the necessary research and studies of the problem.

In order to accomplish the purposes of the act, the Secretary of the Interior is authorized to—

1. Conduct, encourage, and promote fundamental scientific engineering research and basic studies to develop the best and most economical processes and methods for converting saline and brackish water into water suitable for consumption.

2. Conduct engineering research and technical development work to determine, by laboratory and pilot plant testing, the results of the research and studies mentioned above in order to develop processes and plant designs to the point where they can be demonstrated on a large and practical scale.

3. Study methods for recovery and marketing of byproducts resulting from the production of water to ascertain the possibilities of offsetting the costs of production by commercially valuable byproducts.

4. Undertake economic studies and surveys to determine present and prospective comparative costs of achieving water for consumption by the leading saline water processes employed in various areas in the United States.

To carry out the above studies and surveys, the Secretary is authorized to—

1. Make grants to educational institutions and scientific organizations and enter into contracts with institutions, organizations, and with industrial or engineering firms.

2. Acquire the services of chemists, physicists, engineers, and other personel.

3. Use the facilities of Federal scientific laboratories.

4. Establish and operate necessary facilities and test sites at which to carry on the continuous research, testing, development, and programing necessary.

5. Cooperate with other Federal departments and agencies, with State and local departments, agencies, and instrumentalities, and with interested persons, firms, institutions, and organizations.

6. Coordinate all such programs with the Deparement of Defense.

7. Make reports to the President and the Congress at the beginning of each regular session of the action taken or instituted by him under the provisions of this act.

Shellfisheries research center at Milford, Conn.

S. 606—Public Law 87-173, approved August 30, 1961:

Authorizes the Secretary of the Interior to construct at Milford, Conn., a research center for shellfisheries research. Marine biologists at the U.S. Fish and Wildlife Service Laboratory at Milford have made revolutionary discoveries regarding the production of shellfish, but require expanded facilities in order to exploit their discoveries.

Shoreline areas

S. 543—Passed Senate August 28, 1961. Pending in House Interior and Insular Affairs Committee:

Authorized the Secretary of the Interior to study means and costs of acquiring and preserving 14 ocean, lake, and river shoreline areas appropriate for recreational parks.

Authorized the Secretary of Agriculture to study appropriate shoreline areas within the Nation's 186 million acres of national forests.

Each Department is to report its findings and recommendations to Congress within 2 years, and appropriations of $400,000 were authorized for each study. This bill also authorized appropriations of $25 million to the Department of the Interior for matching grants to States to purchase shoreline areas for State recreational purposes.

Authorized the National Forest Service to review the lands the Federal Government now owns to see if water-based recreation areas could be established on some of these lands already owned by the Government.

The 14 areas are: Cumberland Island, Ga.; Huron Mountains, Mich.; Channel Islands, Calif.; Fire Island, N.Y.; Cape Flattery, Wash.; Leadbetter Point, Wash.; Mosquito Lagoon, Fla.; Pigeon Point, Minn.; Popham-Saint John, Maine; Parramoure Island, Va.; Great Salt Lake, Utah; Lake Tahoe, Nev.-Calif.; Smith Island, N.C.; and the shores of Hawaii.

Spokane Valley project

S. 2008—Passed Senate September 19, 1961. Pending in House Interior and Insular Affairs Committee:

Modifies earlier legislation to enlarge the present irrigation plant at an estimated cost of $7,178,000 to furnish more water for irrigation purposes.

Superior National Forest

S. 302—Public Law 87-351, approved October 4, 1961:

This bill increases the authorization funds from $2,500,000 to $4,500,000 to purchase lands within the Superior National Forest in Minnesota. The previous authorization, passed in 1948, permitted the Federal Government to consolidate its ownership of the Superior National Forest lands.

That act barred the Government from consolidating those lands, when privately owned, by any means but negotiation. This has proved costly and the present bill with its increased authorization of funds and extension of authority to enable the Government to condemn these lands (under its right to exercise power of eminent domain) would enable the Government to accelerate its program of preserving and protecting the Superior National Forest area and at a lower cost.

Virgin Islands Corporation Act

H.R. 4750—Public Law 87-382, approved October 4, 1961:

Amends Virgin Islands Corporation Act to allow the Corporation to increase its borrowing authority by $15 million in order to expand the present electric powerplant.

Wabash Basin Study Commission

S. 811—Passed Senate June 13, 1961. Pending in House Public Works Committee:

This bill—

1. Authorizes the establishment of a Wabash Basin Interagency Water Resources Commission consisting of representative Federal agencies concerned and of the States of Indiana and Illinois. The Commission would be responsible for coordination of Federal, State, and local plans for developing the water and land resources in the Wabash River Basin in Indiana and Illinois.

2. In addition to preparing a comprehensive plan for the development of the resources of the area, the Commission will—

(a) Recommend a long-range schedule of priorities for work on basic data, for project planning, and for construction of projects in the area.

(b) Foster and undertake studies of water resources problems in the area.

(c) Submit periodic reports to the President, and the Federal agencies and Governors of the State concerned.

Wapato-Satus irrigation project

H.R. 115—Public Law 87-316, approved September 26, 1961:

This bill fixes the construction costs of the irrigation works that have already been constructed on the Wapato-Satus unit of the Wapato Indian irrigation project and allocates that cost on a per-acre basis to the lands that can be served by those works.

Washington State—Water deliveries

Senate Joint Resolution 76—Public Law 87-169, approved August 30, 1961:

Provides for delivery of water during 1962 to farmers in three irrigation districts of the Columbia River project while there are negotiations conducted to determine an equitable method between the districts by which to pay the additional cost incurred beyond the estimated drainage costs of the project. No charges to the farmers would be waived; payment would have to be made before 1963 deliveries would be made.

Water pollution control

H.R. 6441—Public Law 87-88, approved July 20, 1961:

Congress, as a part of the President's natural resources program, enacted the Federal Water Pollution Control Amendments of 1961 which would:

Increase the existing $50 million in annual authorization for Federal grants to assist communities in constructing sewage treatment plants to $80 million for fiscal 1962, $90 million for fiscal 1963, and $100 million for each of the fiscal years 1964-67, retaining the requirement that 50 percent of the grants be used for communities with populations of 125,000 or less.

Limit individual construction grants to 30 percent of the estimated cost of building the sewage treatment plant, or to $600,000, whichever is smaller.

Authorize construction of joint sewage treatment projects serving more than one municipality, with $2.4 million set as the maximum Federal grant for the multiproject.

Bar the approval of any construction grant exceeding $250,000 in any State until all applications filed prior to 1 year following the effective date of the act had been either approved or rejected.

Authorize the reallocation of construction grant funds not obligated within 18 months after allocation and permit the Secretary to use the uncommitted allocation to increase aid to a project within the State where pollution occurred because of Federal activities.

Increase annual Federal matching grants to States for the administration of water pollution control programs from $3 million to $5 million, extended the program for 7 years through June 30, 1968, and directs the States by July 1, 1962, to list the criteria used in determining the priority of projects.

Extend Federal pollution abatement authority to all interstate and navigible waters in or adjacent to any State or States whether the matter causing or contributing to the pollution is discharged directly into such waters or reaches such waters after discharge into a tributary of such waters.

Authorize the Secretary of HEW, in cases of intrastate pollution, to conduct investigations and make recommendations on abatement only at the request of the State Governor.

Authorize the Secretary, in cases of intrastate pollution, to request the Attorney General to bring suit on behalf of the United States to secure abatement where his previous instructions had not been carried out, but he must obtain the consent of the Governor of the State involved in cases of intrastate pollution.

Authorize $5 million annually, with a total limitation of $25 million, to develop new methods of sewage treatment.

Authorize the establishment of water pollution demonstration and research facilities and require that at least one laboratory be located in each of the following areas: Northeast, Middle Atlantic, Southeast, Midwest, Southwest, Pacific Northwest, and Alaska.

Remove the $100,000 annual limitation on research fellowships granted by HEW, but require an annual report by the Secretary to the appropriate committee of Congress on the operation of the program.

Authorize Federal agencies constructing reservoirs to include capacity for water quality control and, if the resulting benefits are national in scope, the cost would be nonreimbursable.

Direct HEW to conduct research and technical development studies of water quality needs and waste disposal practices in the Great Lakes.

Require that water polluted by discharge from Federal facilities be included in any Federal report on pollution.

Require that wages paid for work on sewage treatment plants constructed with Federal funds be in accordance with the provisions of the Davis-Bacon Act.

Wilderness preservation system

S. 174—Passed Senate September 6, 1961. Pending in House Interior and Insular Affairs Committee:

To protect our remaining wilderness areas, the Senate passed this measure establishing a national wilderness preservation system. The major provisions are:

Statement of policy: States as Congress belief that increasing population and human developments will occupy or modify all areas of the Nation except those set aside for preservation in their natural condition and establishes a national wilderness preservation system to be composed of appropriate federally owned areas.

Definition of wilderness: Defines it for the purposes of this act as area where there is outstanding opportunity for solitude or a primitive or unconfined type of recreation which is of adequate size to make practicable preservation as wilderness and which may have ecological, geological, or other scientific, educational, scenic, and historical values.

Areas.—(a) Sets out the areas of Federal lands in national forests, park system, wildlife refuges, and game ranges to be designated or considered for designation, and establishes a procedure of review by the Executive and Congress prior to final action.

(b) Designates four categories of wilderness-type areas in national forests: wild, wilderness, roadless (canoe), and primitive. First three types will, by this act, immediately become wilderness areas, but the 39 primitive areas must be reviewed by the Secretary of Agriculture and recommendations made to Congress by the President. He may recommend the inclusion of national forest lands adjacent to the primitive area but, after inclusions and exclusions, the original size of the primitive area must be retained. These recommendations to Congress may be disapproved by either the Senate or House during the next following complete session of Congress. If disapproved, the primitive area may again be reviewed and resubmitted to Congress within 2 years. Requires that all primitive areas be reviewed and recommendations submitted to Congress within 10 years and all such areas not continued in the wilderness system under the procedure within the 14 years return to the same status as other national forest lands.

(c) Includes national park system lands in the wilderness system, and directs the Secretary of the Interior to review the park system units containing some 5,000 or more acres and report the findings and recommendations to the President. Before Congress convenes each year, the President is to advise Congress of his recommendations in this area and Congress again may disapprove (either Senate or House) at any time during the next following complete session of Congress.

(d) Includes wildlife refuges and game ranges as the Secretary of the Interior may recommend to the President within 10 years and the President makes the recommendations to Congress; however, neither the House nor Senate may disapprove under this section. The Secretary of the Interior may also recommend inclusion in the system of portions of new refuges or ranges added to its jurisdiction in the next 15 years; however, the Secretary must make his recommendation within 2 years after the addition of the new unit.

(e) Requires public notice, hearing, and submission of a recommendation to Congress of any modification or adjustment of boundaries of the wilderness system.

(f) Before final action on any inclusion of forest, park, and wildlife areas in the wilderness system, boundary adjustment, etc., this section spells out the requirement that Congress shall have the right to act on the recommendation of the President, even to the extent of discharging the committee on disapproval resolutions.

(g) Protects areas under consideration for the wilderness system from public land law appropriations for a 5-year period.

(h) Provides that no area (other than national forests, park system, wildlife refuges, and game range lands specifically provided for in the act) can be added to or eliminated from the wilderness system except by specific, affirmative authorization by law.

Private lands: Authorizes both Secretaries (Interior and Agriculture) to acquire private lands subject to congressional appropriations, or by privately donated funds, by gift or bequest.

Special provisions: Prohibits any commercial enterprise in the wilderness system (except grazing and mining in some areas), construction of permanent roads, use of motor vehicles or motorized equipment, motorboats, landing of aircraft, or use of any other mechanical transport. Limits construction of temporary roads or structures or other installations to the minimum necessary to administer the area. There are, however, some exemptions from these prohibitions and limitations:

1. Allows continued use of aircraft and motorboats where their use is a well-established practice, or where necessary to control fire, insects, and disease.

2. Grants the President authority to authorize prospecting, mining, exploration for and production of oil and gas, establishment and maintenance of reservoirs, water conservation works, transmission lines, and other facilities needed in the public interest within national-forest and public-domain areas.

Land use commissions: Authorizes the establishment of a Presidential Land Use Commission in any State having more than 90 percent of its total land area owned by the Federal Government—applicable to Alaska where more than 99 percent total land area is federally owned. Five-member Commission—with 3–2 political breakdown. The Commission is to advise and consult with the Secretary of the Interior and make recommendations on the utilization, development, and protection of Federal land areas in Alaska generally.

REORGANIZATION

Civil Aeronautics Board

Reorganization Plan No. 3—Effective July 3, 1961:

To relieve the members of the Civil Aeronautics Board from the necessity of dealing with many matters of lesser importance and thus conserve their time for the consideration of major matters of policy and planning, Reorganization Plan No. 3 would:

Authorize the CAB to delegate any of its functions to a division (panel) of the Board, to an individual Board member, or to employees or groups of employees of the Board by a published order or rule. In the case of adjudications and of rulemaking proceedings which are required by law to be made on the basis of a record, the delegation authority is limited to one or more Board members or one or more hearing examiners. The plan provides that a full-scale review of an action of a delegate shall be discretionary with the Board as to all actions delegated; however, a vote of one less than the Board majority is required to compel a full-scale Board review. The plan gives to the Chairman the authority to designate the individual Board members or employees who are to perform the delegated functions.

The plan is sufficiently broad to cover all matters—adjudicatory and quasi-legislative—and will, therefore, provide the necessary flexibility to expedite the Board's workload.

Commerce—Additional Assistant Secretary

S. 1456—Passed Senate May 26, 1961. H.R. 6360—House Calendar:

Authorizes an additional Assistant Secretary of Commerce to provide the most effective review of the expanding scientific activities within the Department of Commerce.

The new assistant will provide vital assistance to the Secretary of Commerce in coordinating and evaluating existing programs of the Department in the fields of science and technology, in expanding such programs where desirable to meet our national needs, in developing and implementing new research and development programs, and in representing the Department on top policy level scientific committees and groups, including the Federal Council for Science and Technology.

Increasing importance in scientific technology requires an officer with the rank of Assistant Secretary to assure that our responsibilities and programs are adequately carried out in the interests of our economy, national defense, and public welfare.

FCC

S. 2034—Public Law 87-192, approved August 31, 1961:

As a substitute for Reorganization Plan No. II, this bill provides for facilitating the work of the FCC and improving its administrative process. Adjudication by the FCC would be expedited by: (1) repeal of provisions that precludes a review staff in adjudicatory cases from making any recom-

mendations to the Commission; (2) permit delegating functions of adjudication to a panel of Commissioners, subject to review by a part or the whole Commission prior to any review that might be held in the courts; (3) petitions for rehearings must be made to the authority responsible for making the decision; (4) one or more Commissioners may conduct the hearings; (5) under the provisions of Administrative Procedure Act (a) oral arguments would be discretionary and (b) hearing officer would not be permitted to consult any person or party in issue in a case but would be free to consult with other examiners.

Federal Trade Commission

Reorganization Plan No. 4 of 1961—Effective July 9, 1961:

To provide flexibility in handling the business before the Federal Trade Commission and to permit its disposition at different levels to promote greater efficiency, Congress approve Reorganization Plan No. 4 to—

Authorize the delegation of any and all of its functions to subordinates;

Afford review only at its discretion, unless two members of the Commission agree to a review;

Cause the decision of a subordinate to become final by denying review; and

Vest in the Chairman of the Commission the authority to choose the individuals who would exercise the delegated power.

Under existing law, the Commission now has the authority to delegate various duties but the Commission itself must designate the personnel to perform the functions, while under plan 4, if the Commission agrees to delegate a function to a subordinate level, the Chairman is vested with the authority to designate the personnel, including the Commissioners, to perform the delegated function.

Interstate commerce reorganization

H.R. 8038—Public Law 87-247, approved September 14, 1961:

Grants the ICC Commissioners the authority to establish boards of three or more qualified employees for reviewing recommended orders entered in cases in which hearings have been held.

Under present law the review function may be exercised only by the Commission or a division of the Commission. This new authority will enable the Commission to delegate work that can be performed at lower levels within the agency, thereby providing more time for the Commissioners to handle the increased workload due to new laws, intensified competition among the carriers, and the general expanding economy.

Maritime Commission

Organization Plan No. 7—Effective August 12, 1961:

This reorganization plan establishes a five-member Federal Maritime Commission. The members are to be appointed by the President and confirmed by the Senate, and are subject to removal by the President for inefficiency, neglect of duty, and malfeasance in office. The President will designate the Chairman. As Chairman, he will receive $500 a year more than the $20,000 yearly salary provided for the other Commissioners.

The plan abolishes the present three-member Maritime Board, and separates its functions between the Department of Commerce and new statutory Commission.

The Department of Commerce is to be charged with the award of subsidies and promtional functions of the old Board, and the new Commmission is to be responsible for the regulatory functions of the old Board.

It is felt that in vesting all subsidy functions in the Secretary of Commerce, it will be possible for Congress and the President to hold a single official responsible and accountable for the effective conduct of all aspects of this program, including the size and character of the fleet under the U.S. flag, the need for Government assistance, and appropriation requirements to support subsidy programs.

The new Commission will be responsible for:

(a) Regulating and controlling rates, services, practices, and agreements of common carriers by water and other persons under the Shipping Act of 1916.

(b) Regulating and controlling rates, fares, charges, classifications, tariffs, regulations, and practices of common carriers by water under the Intercoastal Shipping Act of 1933.

(c) Making rules and regulating shipping in the foreign trade to adjust or meet conditions unfavorable to this shipping, and to approve, suspend, modify, or annul rules or regulations of other Federal agencies affecting shipping in the foreign traffic, under section 19 of the Merchant Marine Act of 1920.

(d) Investigating discriminatory rates, charges, classifications, and practices in the foreign trade, and for recommending legislation to correct any discriminations under the Merchant Marine Act of 1936.

(e) Requiring that certain reports be filed, accounts, records, rates, charges, and other memorandums be kept as required by the Shipping Act of 1916.

(f) Rules and regulations, making reports and recommendations to Congress, subpenaing witnesses, administering oaths, taking evidence, and requiring the production of books, papers, and documents under the Merchant Marine Act of 1936.

The Commission will have the authority to delegate, by published order or rule, any of its functions to a division of the Commission, an individual Commissioner, a hearing examiner, or an employee or employee board, including such functions as hearings, on any matter or work before the Commission.

Reorganization authority

S. 153—Public Law 87-18, approved April 7, 1961:

To continue the practice established by the Hoover Commission, this measure reinstates the authority granted to the President by the Reorganization Act of 1949, to submit reorganization plans to the Congress for reorganizations in the executive branch of the Government. This authority will expire on June 1, 1963.

As provided in the act of 1949, the plans will become law unless disapproved by a majority of either the House or Senate by adopting a resolution of disapproval within 60 calendar days after the plan is submitted to Congress.

SEC investigation

House Joint Resolution 438—Public Law 87-196, approved September 5, 1961:

Authorizes $750,000 to permit the Securities and Exchange Commission to conduct a special investigation of the adequacy of its rules for the protection of the investor, governing stock exchanges and over-the-counter securities trading. SEC is to report its findings to Congress by January 3, 1963.

SEC reorganization

S. 2135—Passed Senate September 1, 1961. Pending in House Interstate and Foreign Commerce Committee:

As a substitute for Reorganization Plan No. 1, this bill authorizes the Securities and Exchange Commission to delegate any of its functions by published order or rule to a division of the Commission, an individual Commissioner, a hearing examiner, or an employee or employee board except rulemaking functions as defined in the Administrative Procedure Act.

Requires that the Commission itself retain the discretionary right to review any action taken as a result of delegation under this bill. This right may be exercised upon the Commission's own initiative or upon petition of a party to or an intervenor in the action, within such time and in such manner as the Commission prescribes.

Permits a single member of the Commission to bring any action taken pursuant to this bill before the full Commission for review.

Preserves a person's right to petition the court of appeals for review even though he may have been denied review by the Commission.

Transfers to the Chairman the functions of the Commission relating to the assignment of personnel, including Commissioners, to perform the functions delegated by the Commission to Commission personnel.

SOCIAL SECURITY

Social security amendments

H.R. 6027—Public Law 87-64, approved June 30, 1961:

The 1961 social security amendments provide new or increased benefits to 4.4 million people, totaling some $800 million in the first year, with the increased costs being met through additional payroll taxes.

The major provisions as enacted into law are:

Increases in minimum benefit: From $33 to $40 the minimum monthly retirement benefit at 65 and the minimum monthly disability benefit, with proportionate increases in minimum benefits payable to dependents and survivors. This provision provides increased benefits for 2,175,000 persons, amounting to $170 million, during the first 12 months of operation.

Benefits at age 62 for men: Provides the option of early retirement to men at age 62 with benefits on an actuarially reduced basis. In the first year 560,000 would get benefits amounting to $440 million.

Liberalizes insured status requirements: Provides that a worker is fully insured for benefit purposes if he has one quarter of coverage for every elapsing after 1950 and up to the year of disability, death, or attainment of age 65 for men and 62 for women. This would bring 160,000 people on to the rolls in the first year for a total of $65 million in benefits.

Increases widow's, widower's, and parent's benefits: Increased aged widow's widower's, and surviving parent's benefits from 75 to 82½ percent of the workers' retirement benefit. (Will affect 1,525,000 persons by $105 million in first 12 months.)

Establishes a period of disability: Extends for 1 year, to June 30, 1962, the period within which a person may file to establish a period of disability to determine eligibility for and amount of old-age, survivors, and disability insurance benefits.

Facilitates coverage for certain State and local employees: Adds New Mexico to list of States permitted this method of coverage, and employees who originally had chosen not to come under the program will be given an additional chance to elect to be in the group which has coverage. Time extended to December 31, 1962. Ministers and Christian Science practitioners have until April 16, 1962, to elect; however, if a minister or Christian Science practitioner dies after September 12, 1960, and before April 16, 1962, his survivor would have the right to elect coverage up to April 16, 1962.

Increases tax rates: Beginning in 1962, contribution rates will be raised by one-eighth of 1 percent each for employees and employers and by approximately three-sixteenths of 1 percent for self-employed.

Increases public assistance: Increases for 1 year (to June 30, 1962) the amount of public assistance payments which would be subject to Federal matching for old-age assistance, aid to the blind, and aid to the permanently and total disabled programs (by approximately $2.50), at an approximate cost of about $20 million.

Increases in public assistance: As enacted into law, increases Federal matching for the

lower payment States—by increasing from $30 to $31 the amount the Federal Government will match at the 80-percent base level, and increases the maximum which will be matched from $65 to $66—effective October 1, 1961, for a 9-month period instead of 1 year as in the Senate bill.

Authorized assistance to U.S. nationals: As modified, the program will apply only to U.S. citizens rather than U.S. nationals, and will continue for only 1 year rather than indefinitely. As noted in the Senate provision, the temporary assistance is for those U.S. citizens who have returned, or been brought back to this country because of illness, destitution, war, threat of war, or invasion.

Medical care: The Senate provision assuring freedom of choice to aged persons in selecting certain medical care has been held in abeyance to permit a more thorough exploration of its ultimate effect.

SPACE

Aeronautics and Space Council

H.R. 6169—Public Law 87-26, approved April 25, 1961:

This is an administration proposal to make certain changes in section 201 of the National Aeronautics and Space Act of 1958, which established the National Aeronautics and Space Council to advise the President on space matters. The Council is composed of the President, the Secretary of State, the Secretary of Defense, the Administrator of NASA, and the Chairman of the Atomic Energy Commission; and authority is reposed in the President to appoint, by and with the advice and consent of the Senate, a member from the Federal departments and agencies of the Government and three civilian members.

The President, in his request to Congress, stated that he contemplated making the Council an active and useful instrumentality. He further stated that he desired to place the Council under the chairmanship of the Vice President. The present measure would amend the law so as to replace the President by the Vice President, as Chairman of the Council. It would also repeal the existing authority of the President to appoint a member from the Federal departments and agencies of the Government and three members from civilian life, and would make certain conforming changes. There are no changes which would affect the present concept of the Council, which was established as an advisory body to the President.

NASA authorization for 1962

H.R. 6874—Public Law 87-98, approved July 21, 1961:

This measure authorizes a total appropriation of $1,784,300,000 to the National Aeronautical and Space Administration for fiscal 1962 as follows:

Salaries and expenses	$226,686,000
Research and development	1,305,539,000
Construction of facilities	252,075,000

Space authorization—amended

S. 2481—Passed the Senate September 5, 1961. Pending in House Science and Astronautics Committee:

This bill amends the National Aeronautics and Space Administration Authorization Act of 1962 (Public Law 87-98) by increasing the amount allotted for "Construction of facilities" by $60 million, to a new total of $206,186,000. This $60 million is to be used to buy land adjacent to Cape Canaveral to provide a site for the launch complexes for the large Saturn and Nova vehicles.

TAXATION

Corporate and excise extension of 1961

H.R. 7446—Public Law 87-72, approved June 30, 1961:

This measure continues to July 1, 1962, the present 52-percent corporate income tax rate which would otherwise revert to 47 percent, and the present rates of excise tax on distilled spirits, beer, wine, cigarettes, passenger cars, automobile parts and accessories, general telephone service, and transportation of persons.

If these taxes were permitted to be reduced, the tax loss would be as follows:

	Unit of tax	Present law rate	Rate to become effective July 1, 1961	Revenue loss (millions)	
				Full year	Fiscal 1962
Corporations	Normal tax net income.	30 percent	25 percent	$2,030	$925
Excises:					
Liquor taxes:					
Distilled spirits	Per proof gallon	$10.50	$9	158	155
Beer	Per barrel	$9	$8	89	87
Wine:					
Still wine:					
Containing less than 14 percent alcohol.	Per wine gallon	17 cents	15 cents	11	11
Containing 14 to 21 percent alcohol.	do	67 cents	60 cents		
Containing 21 to 24 percent alcohol.	do	$2.25	$2		
Containing more than 25 percent alcohol.	do	$10.50	$9		
Sparkling wines, liqueurs, etc:					
Champagne or sparkling wine	do	$3.40	$3		
Liqueurs, cordials, etc	do	$1.92	$1.60		
Artificially carbonated wine	do	$2.40	$2		
Tobacco taxes: Cigarettes	Per thousand	$4	$3.50	244	244
Manufacturers excise taxes:					
Passenger cars	Manufacturers' sale price.	10 percent	7 percent	402	352
Auto parts and accessories	do	8 percent	5 percent	75	65
Miscellaneous taxes:					
General telephone	Amount charged	10 percent	0	500	375
Transportation of persons	Amount paid	10 percent	5 percent	150	110
Total excises				1,629	1,399
Grand total, corporate and excise taxes.				3,659	2,324
Decrease in excess tax refunds					178
Total net revenue effect				3,659	2,502

Clay and shale—Tax treatment

H.R. 7057—Public Law 87-312, approved September 26, 1961:

Permits miners of clay and shale to include as a depletion allowance the process of manufacturing brick and tile. For purposes of computing the percentage depletion deduction is to be 50 percent of the gross income from the finished product but not in excess of $12.50 for each ton of this clay or shale used in the finished product. The type of products for which the sale or specified types of clay must be used are building and paving brick, drainage and roofing tile, sewer pipe, flowerpots, or similar products.

This provision is in the form of an election which taxpayers may make for all open years beginning before January 1, 1961.

Identifying numbers—Tax returns

H.R. 8876—Public Law 87-397, approved October 5, 1961:

To improve enforcement and collection of internal revenue taxes, this measure facilitates the expanded use of automatic data processing equipment by IRS and by enabling the Service to match information returns now filed with tax returns.

Requires individuals who file tax returns to record their account numbers on their tax returns. Individuals filing information returns (such as dividends or interest) are required to request the account numbers of those about whom the information is being filed and include the numbers on the information returns.

IRS intends to use social security numbers as the account numbers in order to minimize the number of persons having to be assigned new numbers.

Membership organization taxes

H.R. 929—Public Law 87-109, approved July 26, 1961:

This bill provides that prepaid membership dues income of membership organization may at the election of the taxpayer, for tax purposes be spread over the period during which there is a liability on the part of the organizations to provide the service, rather than reported involved must extend beyond the current year but may not extend for more than 36 months.

The membership organizations to which the provision applies are limited to those, such as automobile clubs, which have no capital stock and make no distributions of net earnings to members. A special rule is provided which spreads over a 5-year period the revenue loss which would otherwise occur in each of the first 3 years of transition to the new method for reporting this prepaid income. The provision is effective for taxable years beginning with calendar 1961.

State tax stamps

H.R. 1777—Public Law 87-371, approved October 4, 1961:

To prohibit transporting counterfeit State tax stamps in interstate and foreign commerce, this bill broadens the definition of "tax stamp" in the criminal code to include any tax stamp, tax token, tax matter imprint, or any other form of evidence of an obligation running to a State, or evidence of a discharge thereof.

Unemployment tax credits

H.R. 2585—Public Law 87-321, approved September 26, 1961:

This bill is designed to prevent the imposition of a double tax in the case of the Federal and State unemployment taxes which arise because of a technical deficiency in the Federal tax laws. At present, due to a variation in the definition of employer between the Federal and State laws, cases can arise where the usual credit for State unemployment taxes is not available where a trade or business changes hands within the first 20 weeks of a calendar year. This bill corrects the faulty operation of the Federal laws by making the usual credit available in these cases.

This measure applies prospectively only but will apply to all business corporations, both corporate and noncorporate.

A Finance Committee amendment provides that crushing and grinding are to be treated as mining processes in the case of clay and quartzite used in the manufacture of refractory products for open years beginning before January 1, 1961. This amendment also provides that the value of the ground clay and quartzite shall be equal to 87½ percent of the average lowest price for which such clay is sold by the taxpayer during the taxable year.

TRANSPORTATION

Bridge commission audits

S. 49—Passed Senate June 12, 1961. Pending in House Public Works Committee (H.R. 8921, passed Senate, amended September 25):

Establishes formal procedure for an annual audit of four bridge commissions and one bridge causeway authority created by Congress. The auditing is to be done in accordance with procedures prescribed by the Governors of the States concerned and in accordance with generally accepted accounting procedures. The Secretary of Commerce will review the reports and audits. Previously, these audits were conducted at the discretion of the various commissions and authorities.

Requires the Secretary of Commerce to fill vacancies in the membership of the bridge commissions, accept oaths of qualification, and remove members for cause.

Those involved are:

Arkansas-Mississippi Bridge Commission, Arkansas and Mississippi.

White County Bridge Commission, Illinois and Indiana.

City of Clinton Bridge Commission, Illinois and Iowa.

Muscatine Bridge Commission, Iowa and Illinois.

Sabine Lake Bridge and Causeway Authority, Texas and Louisiana.

Broadcast licenses

S. 1371—Passed Senate June 16, 1961. Pending in House Interstate and Foreign Commerce Committee:

This bill permits the Federal Communications Commission to renew safety and special radio service licenses more than 30 days before the expiration of the original license, but retains the 30-day restriction on renewals of all other licenses. The limitation is burdensome and inefficient in the special safety and special radio service field, the inherent nature of which provides its own limitations and restraints on licensing.

Canadian vessels—Alaska

S. 707—Public Law 87-77, approved June 30, 1961:

This bill permits Canadian vessels to provide passenger service between ports in southeastern Alaska, and passenger and freight service between Hyder, Alaska, and other points in southeastern Alaska and in the United States outside Alaska, either directly or via a foreign port, until such time as the Secretary of Commerce determines that U.S.-flag service is available to provide the necessary transportation.

Under statutes of long standing only vessels of U.S. registry are permitted to engage in coastal and intercoastal trades.

In recent years, however, because of increased vessel operating costs, and because of the small and seasonally fluctuating population, U.S.-flag vessels have found such service uneconomic to the point where there is now no regular U.S.-flag service provided, and none in prospect.

Carriers—Alaska and Hawaii

S. 1725—Passed Senate June 27, 1961. Pending in House Interstate and Foreign Commerce Committee:

This measure permits the establishment of through service and joint rates for carriers serving Alaska or Hawaii and the other States and establishes a joint rate review board.

It will become effective 120 days after enactment and applies to all carriers including railroads, motor carriers, water carriers, and airlines rendering freight transportation service.

This arrangement permits a number of carriers to render service from origin to destination on one bill of lading quoting a single transportation charge. Each carrier is required to file tariffs with the regulatory agency having jurisdiction over the carrier. These rates must be reasonable and free from unjust discrimination.

The joint board will pass upon the lawfulness of the rates after applying the standards for permissive joint rates and through routes currently provided for motor carriers of property under the Interstate Commerce Act.

Rates applicable to and from the docks in Hawaii are to be excluded from these joint arrangements since most of this service is in the nature of local drayage within a commercial zone which the ICC exempts from economic regulation.

Construction reserve funds

S. 2085—Passed Senate September 1, 1961. Pending in House Merchant Marine and Fisheries Committee:

Extends for an additional year the period permitted shipowners for commitment of construction reserve funds. In order to encourage new construction, reconditioning, and acquisition of vessels, any citizen of the United States who owns or is operating a vessel in the foreign or domestic commerce, or in fisheries, or who owned or operated or was building a vessel which the Government purchased or requisitioned, may establish a construction reserve fund to enable him to build, recondition, or acquire new vessels. In this fund he may deposit proceeds from sale of vessels, indemnities from losses, and earnings of vessels documented under the U.S. laws.

In the case of sale, or actual or constructive total loss of a vessel, where the taxpayer deposits an amount equal to the net proceeds of the sale, or the net indemnity, in a construction reserve fund, if the taxpayer so elects in his income tax return for the taxable year in which the gain was realized, or determines within 60 days after the receipt of payment or indemnity for purchase, requisition, or loss of the vessel, if the payment is received subsequent to the end of the taxable year involved, no gain is recognized to the taxpayer in computing his net income for purposes of Federal income or excess-profits taxes. In return, however, the vessel owner must commit the amounts deposited for the intended purposes within a prescribed time, and the tax base of a vessel built, purchased, or reconditioned with the untaxed gain is reduced by the amount of the untaxed gain used.

Dual-rate contract agreements

S. 2154—Public Law 87-75, approved June 30, 1961:

This act extends for 1 year, to June 30, 1962, the present interim dual-rate law, which allows ocean common carriers and conferences serving the foreign commerce of the United States to continue using the dual-rate exclusive patronage contracts if they were under such contracts on May 19, 1958.

The dual-rate contract arrangement is a practice whereby a conference establishes rates at two levels, the lower is charged to merchants who agree to ship cargoes on vessels of members of the conference only, the higher being charged to merchants who do not so agree.

Dual-rate contracts—Conferences

H.R. 6775—Public Law 87-346, approved October 3, 1961:

This measure legalizes the so-called dual-rate system in maritime shipping. Under the dual-rate system, shippers who agree to use only conference vessels are accorded a lower rate than those who have not entered into such an agreement. It requires the Federal Maritime Commission's approval before a conference can institute a dual-rate contract.

The Commission cannot approve if it finds that the contract is detrimental to the commerce of the United States, or contrary to public interest, or unjustly discriminatory or unfair as between shippers, exporters, importers, or ports, or between exporters from the United States and their foreign competitors. In addition the Commission cannot approve conference contracts which authorize agreements between carriers or conferences of carriers serving different trades that would otherwise be naturally competitive unless in the case of agreements between carriers, each carrier, or in the case of conferences, each conference retains the rights of independent action; however, the prohibition on carrier agreements is limited to carriers not members of the same conference.

To be approved by the Commission all contracts must expressly: Permit prompt release of the contract shipper if the contract or conference could not provide the space he needs on reasonable notice; provide that rates shall not be increased for a reasonable period except in case of war; cover only those goods of the contract shipper to which he has legal right at the time of shipment; limit liquidated damages to amount due at contract rate on the particular shipment, less cost of handling; provide for a reasonable spread between contract and noncontract rates but not more than 15 percent of the noncontract rates; and exclude from coverage of the contract cargo loaded in bulk without mark or count.

Federal Aid Highway Act, 1961

H.R. 6713—Public Law 87-61, approved June 29, 1961:

The Senate adopted the conference report on the Federal Aid Highway Act of 1961, which is primarily a revised authorization and refinancing plan for the completion of the National System of Interstate and Defense Highways. The 13-year program, authorized in 1956, was originally estimated to cost the Federal Government, in matching funds, approximately $25 billion. This figure, in the 1961 estimate, has been increased to $37 billion, which is a $11.56 billion increase. The total cost will be $41 billion, of which $37 billion is the Federal Government's share for the Interstate System.

Upon completion, the Interstate System will be comprised of 41,000 miles of roads. To date, 10,408 miles have been completed, and some form of work is underway on a total of 25,383 miles, or about 62 percent of the total system.

This measure permits a State or political subdivision to use or permit the use of the airspace above and below the highway, not only for parking, but for other purposes as well, provided such use will not impair the full use and safety of the highway or otherwise interfere with the free flow of traffic on the Interstate System.

It also continues for another 2 years (July 1, 1963) the authority for "incentive" bonus to States which enter into agreements to control billboards on the Interstate System (one-half of 1 percent).

A new feature is to authorize the use of defense access road funds to repair highways damaged by military equipment in constructing defense installations. This provision applies to damage caused by construction work begun before June 1, 1961, and still in progress on that date, and to damage caused by construction commenced or for which a contract is awarded on or after June 1, 1961.

The 1960 act authorized $925 million for each of fiscal years 1962 and 1963 for pri-

mary, secondary, and urban (A–B–C) roads. This phase was not changed in this bill.

To help finance the highway program, we have—

Continued gasoline and diesel fuel taxes at 4 cents a gallon through October 1, 1972.

Increased taxes (through October 1, 1972) on—

Trucks weighing over 26,000 pounds from $1.50 to $3 per 1,000;

Inner tubes from 9 cents to 10 cents a pound;

Highway tires from 8 cents to 10 cents a pound;

Tread rubber from 3 cents to 5 cents a pound.

Authorized truckowners to pay the Federal user tax in four quarterly installments, and made numerous technical and other changes.

Requested the Treasury Department to make a scientific study to obtain data on the percentage of gasoline purchased by retail dealers which is lost by shrinkage or evaporation and to make a report before January 1, 1962.

Provided for a 1-year deferral of the diversion of the remaining one-half—5 percentage points—of the Federal excise tax on trucks, buses, and trailers from the general funds of the Treasury to the highway trust fund.

Federal Boating Act

S. 883—Public Law 87–171, approved August 30, 1961:

This measure extends the application of the Federal Boating Act of 1958 to the Commonwealth of Puerto Rico, the Virgin Islands, and Guam.

The purpose of the 1958 act is to promote boating safety on the navigable waters of the United States, its territories, and the District of Columbia. Besides safety regulations such as prohibiting reckless and careless operation of vessels on navigable waters, it provides for a coordinated and uniform type of numbering and registration of boats within the areas.

Federal Firearms Act, amendment

S. 1750—Public Law 87–342, approved October 3, 1961:

This measure amends the Federal Firearms Act, which among other provisions prohibits the shipment of firearms in interstate or foreign commerce to or by persons under indictment or convicted of a crime of violence. Specific crimes are listed in the original statute with regard to which the act applies. The new measure makes the prohibition on trade in firearms applicable to persons indicted, convicted, or fleeing with respect to any crime which measures up to the Federal standard of a felony; that is, any crime punishable by imprisonment for a term of more than 1 year.

Fishery loan fund

H.R. 206—Public Law 87–219, approved September 13, 1961:

Authorize the fishery loan fund to make any necessary repairs on vessels which it has acquired through loan defaults on fishing gear and ships. Many of these vessels are in very poor condition; without adequate repair, they could be sold for only a small part of the original investment of the loan fund. The expenditures made would, in the long run, be a net gain to the Government.

Intrastate motor carriers

S. 320—Passed Senate July 17, 1961. House Calendar:

This measure amends the second proviso of section 206(a)(1) of the Interstate Commerce Act, to permit State commissions under a specific procedure to grant the right to motor common carriers operating within a single State to engage in interstate or foreign operations within the boundaries of the State in which intrastate authority is being simultaneously authorized. It also authorizes the Interstate Commerce Commission to issue certificates of registration to existing carriers engaged in interstate operations under the terms of the present second proviso.

The existing second proviso enables motor common carriers whose operations are confined to a single State and who have been granted a certificate to allow operation within the State from their State regulatory bodies, to also engage in operations in interstate and foreign commerce. Such operations in interstate and foreign commerce must be carried on entirely within the State in which the motor carrier is certificated to operate.

Liberty ship sale

Senate Joint Resolution 21—Passed Senate September 1, 1961. Pending in House Merchant Marine and Fisheries Committee:

Authorizes the Secretary of Commerce to sell up to 10 Liberty ships for conversion into non-self-propelled barges. The vessels would be made immediately available to the Government in the event of a national emergency.

Requires that the sale of the vessels be made for cash only, after competitive bidding; that their operations be restricted to the domestic trade (excluding Alaska); that the vessels be ineligible for trade-in or exchange; and that they remain under U.S. documentation.

Mass transit program

S. 1922—Public Law 87–70, approved June 30, 1961:

Authorized a new $75 million program to help overcome commuting problems in cities—$25 million is authorized for demonstration grants (covering up to two-thirds of project cost) for projects to explore ways of overcoming mass transit problems; $50 million is authorized for low-interest rate loans to public bodies for acquiring, constructing, and improving transportation facilities and equipment.

Merchant Marine Academy—Cadets

H.R. 3296—Public Law 87–244, approved September 14, 1961:

Authorizes the designation of up to four persons who are citizens of the Trust Territories of the Pacific Islands to attend the U.S. Merchant Marine Academy. They would be subject to the same rules, benefits, and could be graduated from the Academy; however, they could not be commissioned in the merchant marine or in the Navy, unless they have become citizens of the United States. The training that these men receive could be used to aid the vital interests of their home islands, where ocean transportation is so very important to the economic life.

Merchant Marine Academy—Faculty

S. 576—Public Law 87–93, approved July 20, 1961:

This measure clarifies the status of the faculty and administrative staff at the U.S. Merchant Marine Academy and establishes suitable personnel policies.

It involves primarily conversion of positions of executive, administrative, custodial, and service personnel to positions subject to the civil service laws generally applicable to other civilian U.S. employees. In addition, it establishes an appropriate, flexible system of employment and compensation for the faculty which is comparable to that now provided for the civilian faculty at the U.S. Naval Academy.

Merchant Marine Academy—U.S. nationals

H.R. 29—Public Law 87–199, approved September 6, 1961:

Permits appointments to the U.S. Merchant Marine Academy of residents of American Samoa, even though they are nationals and not citizens of the United States. No appointment to any office in the U.S. merchant marine shall be made, however, unless the Academy graduate is a U.S. citizen. The American Samoan nationals who graduate from the Academy will be able to use their training by creating a small corps of professionally trained persons for local navigation, port authority, etc.

Merchant marine amendment

H.R. 6974—Public Law 87–271, approved September 21, 1961:

This measure permits steamship operators to draw upon their capital reserve fund to finance research, new ship designs, and development programs; to borrow from the fund to purchase cargo containers, or as a reimbursement for such purchases.

Under the present provisions of title VI of the Merchant Marine Act, vessel owners holding operating-differential subsidy contracts are required to establish a capital reserve fund, in which must be deposited an amount equal to the annual depreciation on their subsidized vessels, proceeds from the sale of any subsidized vessels, all indemnities and insurance from loss of vessels, and any additional profits from operations of subsidized vessels as the Secretary of Commerce considers necessary to insure an adequate fund. In addition, the subsidized operator must set up a special reserve fund to take care of any operating losses and subsidy recaptures. Prior to passage of H.R. 6974, none of the idle reserve funds could be used to initiate experimental design work not directly related to an actual ship to be constructed.

Ocean freight forwarders

S. 1368—Public Law 87–254, approved September 19, 1961:

This bill is designed to correct various questionable practices of foreign freight forwarders by providing for licensing independent freight forwarders, to prevent unqualified persons from engaging in business as foreign freight forwarders and to regulate the activities of qualified foreign freight forwarders.

Amends the Shipping Act of 1916, to define the term "carrying on the business of forwarding" to mean dispatching of shipments by any person on behalf of others, by oceangoing common carrier in commerce from the United States or its possessions to foreign countries, or between the United States and its possessions or between such possessions, and handling the formalities incident to these shipments. It defines the term "independent ocean freight forwarder" to mean a person carrying on the business of forwarding for a consideration, who is not a shipper or consignee or a seller or purchaser of shipments to foreign countries, nor has any beneficial interest therein, nor directly or indirectly controls or is controlled by such shipper or consignee or by any person having a beneficial interest.

Requires a person to hold a license issued by the Federal Maritime Board to carry on the business of forwarding, but permits a person whose primary business is the sale of merchandise to dispatch shipments of merchandise without a license.

Directs the Board to prescribe reasonable rules and regulatons to be obesrved by independent ocean freight forwarders, and requires the forwarder to furnish a bond or other security acceptable to the Board, to insure financial responsibility and proper service performance.

Provides that licenses shall remain effective until suspended or terminated as provided in this act. Licenses may, upon application of the holder, in the discretion of the Board, be amended or revoked, in whole or in part, or may, upon complaint, or on the Board's initiative, after notice and hearing, be suspended or revoked for willful failure to comply with any provisions of this act or with any lawful order of the Board.

Obsolete vessel trade-ins

S. 1728—Public Law 87–401, approved October 5, 1961:

Liberalized the law regarding obsolete trade-ins by authorizing the Federal Mari-

time Commission to take trade-ins either when the owner signs the contract for construction or purchase of a new vessel or (at the owner's option) within 5 days of the delivery date of the new vessel.

Off-season cruises

H.R. 6100—Public Law 87–45, approved May 27, 1961:

The purpose of this bill is to promote and encourage the fullest possible employment of American-flag passenger vessels on a year-round basis either on their regular routes or on special cruises during the slack seasons.

Under existing law, the Merchant Marine Act of 1936 subsidized American-flag vessels, both passenger and cargo, are assigned to particular essential trade routes which they must serve on a regular basis year round. Since the advent of oversea aviation, passenger traffic by ship drastically slacks off during certain seasons of the year. During such seasons, even though full utilization of passenger vessels is not needed to provide essential service on the routes, existing law prohibits vessels from going on special cruises off the regular routes. As a result, American-flag passenger vessels frequently suffer heavy losses during the slack season while their normal foreign competitors engage in off-season cruises.

Thus, this legislation not only strengthens the operating condition of the American passenger fleets but allows American-flag vessels to receive a share of the growing cruise business to off-season vacation areas now served almost exclusively from the United States by foreign-flag ships.

Pollution of sea by oil

S. 2187—Public Law 87–167, approved August 30, 1961:

Implements the International Convention for the Prevention of the Pollution of the Sea by Oil, which prohibits discharge of oil from tankers and imposes fines and penalties for violation. The bill implements the convention by prohibiting American ships from discharging wastes in any of the zones named in the bill, and requires a record showing where any waste may be discharged. Also provides for keeping oil record books by foreign ships when they are in U.S. waters, and establishes a fine of from $500 to $2,500 for violations.

Portland Harbor, Maine

S. 2394—Passed Senate September 15, 1961. Pending in House Public Works Committee:

Authorizes $8,340,000 to improve the harbor at Portland, Maine, to deepen the entrance channel to facilitate the movement of foreign crude oil through the United States to Montreal, Canada.

Prohibit destruction of property in interstate commerce

H.R. 2429—Public Law 87–221, approved September 13, 1961:

Strengthened existing Federal law by making it unlawful to (1) destroy, injure, set fire to, or otherwise damage goods moving in interstate or foreign commerce, or (2) break into or enter any railroad car, vessel, aircraft, truck, or other vehicle for such purpose. Violators would be penalized by fines up to $5,000 and imprisonment up to 10 years. Existing laws have no provision for punishment if there is willful damage or destruction of property per se in the possession of a carrier unless the carrier's own property is damaged also, or if such acts are not intentionally performed.

Railway Express revenue

H.R. 1986—Public Law 87–108, approved July 26, 1961:

This measure repeals the following two basic provisions of the Railway Mail Act of 1916:

1. A provision that the Postmaster General shall obtain from the Interstate Commerce Commission information showing revenue received by railroad companies from express companies for transporting express matter.

2. A provision authorizing the Postmaster General to reduce rail rates paid by the Post Office Department to the railroads for carrying non-first-class mail to the level of the express rail rates, if the express rates are lower.

These provisions were designed to prevent rate discrimination by the railroads against the Government in transporting non-first-class mail. Since cost-ascertainment procedures were crude at that time, these provisions gave the Government the best known test of reasonableness-rate comparison. The Postmaster General, from time to time, has requested the ICC to furnish information as provided by law on rail rates for carrying express matter. The Commission, in declining such a request, states in effect that the law does not place upon it the duty to make an investigation for the purpose of formulating rail rates for the carriage of express matter.

The ICC contended that the Railway Express Agency had never operated on a profit-and-loss basis, since it simply turned over to the railroads whatever amounts it had left after deducting its operating expenses at the end of each month. The Railway Express Agency (REA) always broke even on its own books, although the business as a whole has been losing money for years. Because of the contractual arrangements between the railroads and REA, the ICC has held that rates, as such, were not paid, and that for this reason, the provisions of the 1916 law could not be complied with. Revitalization of the express agency is now moving forward; however, these provisions of the old law stand in the way of the agency's return to solvency. Under the terms of a new contract between REA and the railroads, scheduled to become effective July 1, 1961, the express company would change its method of operation to one based upon profit and loss, and it could be construed that rates were being paid. The railroads and the express company fear that the provisions which H.R. 1986 repeal might then be invoked and this could result in huge losses to the railroads in rates paid by the Post Office Department for the transportation of non-first-class mail.

Ships and seamen fees

S. 1358—Passed Senate March 28, 1961. Pending in House Foreign Affairs Committee:

This measure repeals section 12 of the act of June 26, 1884, prohibiting a charge or collection of fees by consular officers for official services to American vessels and seamen, and repeals a provision of the act of June 4, 1920, authorizing the free issuance of passports to seamen.

It is estimated that this measure will save the Government about $400,000 a year.

Subsidies for reconverted vessels

H.R. 2457—Public Law 87–222, approved September 13, 1961:

This measure makes it clear that the provisions of Public Law 86–607, relating to the payment of temporary construction-differential subsidies, was intended to apply to reconstruction, reconditioning, and conversion, as well as to new construction, of the shipyard contract entered into after June 30, 1959.

The 1960 amendment, in emphasizing the temporary nature of the authority for payment of a higher differential percentage, provided that it would be effective "only with respect to the construction of a vessel the keel of which was laid after June 30, 1959." That wording has been interpreted by the Maritime Board as excluding vessel reconstruction, reconditioning, and conversion previously covered.

Subsidy—90 percent interim payment

H.R. 6309—Public Law 87–243, approved September 14, 1961:

Effective July 1, 1962, this measure increases from 75 to 90 the percentage of estimated accrued subsidy that can be paid to subsidized operators before these operators have audited their voyage accounts and before the audits have been verified by the Secretary of Commerce. It also reduces from 15 to 5 the percentage that can be paid after the audit and verification and before the final annual accounting.

Vessel expenses covered by this operating-differential subsidy include vessel insurance, maintenance, repairs not compensated by insurance, wages and subsistence of officers and crew, and any other items of expense in which the Maritime Board finds that the operator is at a substantial disadvantage. These are what can be termed "current expenses" and must be met immediately by the ship operator, thus the long delays incurred as a result of audits, et cetera, are bankrupting lots of the ship operators and working a greater handicap on the shippers. Thus, this measure is designed to provide these operators with a degree of temporary relief.

U.S.-flag commercial vessels

H.R. 6732—Public Law 87–266, approved September 21, 1961:

This measure is designed to provide protection to vessels of U.S. registry engaged in the bulk trades, against foreign-flag vessels and vessels built or rebuilt abroad which seek documentation or redocumentation under the American flag in order to share in the carriage of the 50-percent-Government-financed cargoes reserved to privately owned U.S.-flag commercial vessels.

To accomplish this purpose the term "privately owned U.S.-flag commercial vessels" shall not be deemed to include any vessel which, subsequent to the date of enactment of this amendment, shall have been either (a) built outside the United States or (b) rebuilt outside the United States or (c) documented under any foreign registry, until the vessel has been documented under the laws of the United States for a 3-year period.

Vessel documentation

S. 881—Public Law 87–157, approved August 17, 1961:

This measure permits documentation of vessels which are sold or transferred to a citizen of the United States while on the high seas or in a foreign port. The present statutes provide for retention of the privileges of a vessel of the United States by any vessel sold or transferred until its first arrival in the United States. The new owners are sometimes at a disadvantage in dealing with officials in foreign ports since the owners are unable to establish their interest in the vessel by official U.S. documents.

Thus this bill makes it possible for the vessel to be redocumented while still abroad, which will enable the parties in interest to have clear evidence of title.

Vessel reserve funds

H.R. 6974—Public Law 87–271, approved September 21, 1961:

This measure increases industry cooperation with recently undertaken Federal Maritime Administration research and development projects, without undue strain on the ship lines' general funds. It authorizes operators of subsidized vessels to draw upon their capital reserve fund to finance research, and new design and development programs. It further permits these operators to borrow from the general funds for expenditures for research and devolpment purposes, and provides safeguards for the operators' reserve funds to assure that they will be maintained at a level adequate to serve their primary purposes of vessel replacement and emergency use.

Vessels—Preferred mortgages

H.R. 2308—Public Law 87-303, approved September 26, 1961:

Strengthens the Ship Mortgage Act by extending preferred status to mortgages covering towboats, barges, scows, lighters, car floats, canalboats, or tank vessels of 25 or more gross tons. At present, the statute confers preferred status only on mortgages covering vessels of 200 or more gross tons.

This amendment, however, does not apply to mortgages in existence on the date of enactment, nor to any mortgage placed on a vessel in the 25- to 199-gross-ton bracket after the date of enactment under a mortgage on the vessel in existence on the date of enactment as long as the existing mortgage remains undischarged.

Virgin Islands fish boats

H.R. 3159—Public Law 87-220, approved September 13, 1961:

Authorizes small boats flying foreign flags to land catches of fish in the Virgin Islands. All fish must be sold for immediate consumption; none may be sold to any agent or employee of a cannery or freezer. Under existing law such foreign vessels are prohibited from landing fish in U.S. ports. There is a need to allow small boats from British islands to land fish cargoes, averaging from 900 to 4,000 pounds of fresh fish per month, in order to satisfy the demand for fresh fish in the Virgin Islands.

TREATIES

Belgium-United States Treaty

Executive J—Ratified September 11, 1961:

The Senate unanimously ratified Executive J, a treaty of friendship, establishment, and navigation between the United States and the United Kingdom of Belgium, together with a related protocol.

The purpose of the treaty is to provide protection for property and interests of American citizens and companies in Belgium and to assure fair and nondiscriminatory treatment with respect to engaging in commercial, industrial, and financial activities in those countries, in return for like assurances in the United States.

This treaty covers entry and sojourn, personal freedoms, property rights, business activities, taxation, exchange regulations, and matters affecting the status and activities of citizens and enterprises of one country within the territories of the other. It also provides that the property of nationals and companies of either part is not to be taken except for a public purpose, nor is it to be taken without the prompt payment of just compensation. It requires that if any dispute regarding any provision of this convention arises as between the parties, and if the dispute is not satisfactorily settled by other means, the dispute is to be submitted to the International Court of Justice. The effect of this requirement is to waive the Connally amendment requirement with respect to the limited category of disputes which might arise as to the interpretation or application of this treaty. At the point of referral, the International Court, before it can take jurisdiction, must find that its jurisdiction extended to the subject matter of the dispute.

This new treaty replaces the treaty of commerce and navigation of 1875. The new one does not contain provisions relating to the exchange of goods because of Belgium's reluctance to enter into long-term commitments and because commercial relations with Belgium have been subject to the General Agreement on Tariffs and Trade; nor does it contain provisions relating to social security and the acquisition and tenure of real property because the provisions requested by the Belgian negotiators would have been in conflict with U.S. Federal and domestic law. The protocol to the treaty clarifies and construes certain of its provisions.

Brazil—Extradition treaty

Executive H—Ratified May 16, 1961:

The Senate unanimously ratified Executive H, a treaty of extradition between the United States and Brazil signed at Rio de Janeiro on January 13, 1961.

At ratified, this is a general treaty of extradition of the type now in force between the United States and some 65 foreign countries. It provides for extraditing fugitives who have been charged with or convicted of murder, voluntary manslaughter, rape, abortion, malicious wounding, abduction, detention, kidnaping, bigamy, arson, piracy, burglary, robbery, forgery, embezzlement, larceny, obtaining money or valuables by false pretenses, fraud, willful nonsupport, perjury, soliciting or receiving bribes, narcotic offenders, smuggling, procuration, and numerous other crimes.

The treaty provides, however, that neither country has to extradite if the death penalty might be imposed. This article results from the fact that capital punishment is prohibited under Brazilian law. Neither country is required to extradite its own nationals but in its discretion may.

The United States has extradition treaties with all the countries of South America except Brazil and, as a result, Brazil has become a haven for fugitives from the United States.

Enters into force 1 month after the date of exchange of ratification.

Columbia River Basin treaty

Executive C—Ratified March 16:

The Senate, with one dissenting vote, approved ratification of a treaty between the United States and Canada, signed at Washington January 17, 1961. The treaty is designed to insure that water resources of the Columbia River Basin will be developed so that Canada and the United States will derive the maximum advantage in hydroelectric power, in flood control and other benefits.

Canada agreed to build three dams in Canada within a 9-year period with a storage capacity of 15.5 million acre-feet of water and, in exchange, Canada is entitled to one-half of the downstream power benefits. Downstream power benefits is the difference in the hydroelectric power capable of being generated in the United States with and without the use of Canadian storage.

The United States agreed to pay Canada $64.4 million over a 9-year period for primary flood control benefits obtained as a result of the Canadian storage dams. Additional payments, limited to $7.5 million over a 60-year period, will be made by the United States for secondary flood control, if and when such protection is actually required.

Under the treaty, the United States has an option for a 5-year period to initiate construction of Libby Dam in Montana, and Canada is to make available the land in Canada which will be flooded by the storage of water.

Each country is prohibited from diverting water from its natural channels in a way that alters the flow of any water of the Columbia Basin as it crosses the boundary for other than consumptive uses without the consent of the other country.

Each country will designate an entity or entities to be responsible for formulating and carrying out operating arrangements necessary to implement the treaty.

The treaty is to remain in effect for 60 years.

Geneva Radio Regulations

Executive I—Ratified September 25, 1961:

The Senate unanimously ratified Executive I, the Geneva Radio Regulations, containing a number of provisions relating to the international regulation of radio communication, signed for the United States at Geneva on December 21, 1959.

The purpose of the 1959 radio regulations is to replace those which were adopted at Atlantic City in 1947 and approved by the Senate in 1948. Approval of these new regulations will materially assist the United States in carrying out its scientific efforts in radio astronomy and space research. The regulations are highly technical and relate largely to the following four main work areas: frequency allocations, frequency management procedures, technical regulations, and operating regulations.

German bonds treaty

Executive D—Ratified May 4, 1961:

The Senate ratified Executive D, 87th Congress, 1st session, the second agreement between the United States and the Federal Republic of Germany regarding certain matters arising from the validation of German dollar bonds, signed at Bonn on August 16, 1960.

This second agreement provides for validation of East German dollar bonds to enable owners of these bonds to establish that they were acquired from legitimate sources and were not acquired directly or indirectly as a consequence of Soviet sources of bonds in Berlin at the close of World War II. The agreement provides that once the validity of these bonds is established, certain procedures may be followed by the holders to negotiate the bonds or receive payment from assets originally pledged as security for their issuance.

Background: In 1952, the Federal Republic of Germany enacted a validation law under which German foreign currency bonds had to be submitted for validation. Validation was granted only if the bonds were not among the $350 million in face amount of amortization bonds, in the form of bearer instruments, which were seized from the vaults of the Reichsbank and other banks when the Soviets overran Berlin in 1945.

Under the first agreement of April 1, 1953, ratified as a treaty and entered into force on September 16, 1953, German dollar bonds are not enforcible in the United States unless validated.

The German law restricted validation procedures to bonds of issuers located in the German Federal Republic and the Western sectors of Berlin; however, since 1953, it has been learned that certain outstanding East German dollar issues are guaranteed by solvent companies located in the German Federal Republic and the Western sectors of Berlin and that certain East German issuers of these bonds have assets in excess of $4 million located in West Germany. Under the London agreement on German external debts, signed on February 27, 1953, action may be taken to satisfy the bondholders' claims out of these assets and guarantees. A procedure for validating the East German dollar bonds is a prerequisite to making these assets and guarantees available to the U.S. bondholders.

Without this second agreement, U.S. holders of these bonds would be unable to receive payment on the issues guaranteed by solvent companies located in the German Federal Republic and the Western sectors of Berlin or from the assets of East German issuers located in West Germany.

The agreement has the approval of the interested bondholders' protective committees, the banks which are trustees and paying agents for the issue in question, and the Securities and Exchange Commission.

International telecommunications convention

Executive J—Ratified September 25, 1961:

The Senate unanimously ratified Executive J, which continues in effect the principal provisions of the International Telecommunications Convention, signed at Buenos Aires in 1952 and approved by the Senate in 1955.

The purposes of the ITU convention are to maintain and extend international cooperation of the improvement and rational use of telecommunications of all kinds; to promote the development of technical facilities and their most efficient operation with a view toward improving the efficiency of telecommunications services, increasing their usefulness, and making them generally available to the public; and to harmonize the actions of nations in attaining those common ends.

Load Line Convention

Executive I—Ratified May 16, 1961:

The Senate unanimously ratified Executive I, a modification of article 3(e) of the International Load Line Convention of 1930. The modification was proposed by the Government of the United Kingdom of Great Britain and northern Ireland on May 31, 1949.

As ratified, the modification makes a technical change in the provisions of article 3 of the convention by clarifying the definition of the term "new ship." Thus, this proposal makes future modifications in ship design, agreed to under the convention, applicable only to ships whose keels were laid on or after the date on which these modifications become effective. A "new ship," as defined in the original treaty was one whose keel was laid on or after July 1, 1932.

The International Load Line Convention, which entered into force for the United States on January 5, 1933, and is now in effect for 64 countries, prescribes the depths to which ships engaged in international commerce may be loaded. It requires that ships belonging to participating nations engaged in international voyages be surveyed and marked with loadlines to indicate the point beyond which a vessel may not be safely submerged.

OECD

Executive E—Ratified March 16, 1961:

The Senate ratified the Convention on the Organization for Economic Cooperation and Development, together with two protocols, signed at Paris, December 14, 1960.

The convention creates the Organization for Economic Cooperation and Development (OECD), an organization consisting of the 18 European members that comprised the OEEC (Organization for European Economic Cooperation), plus the United States and Canada.

The OEEC was established in 1948 to help Europe recover from the war. The OECD, an outgrowth of the 1948 OEEC, is to promote economic stability and the orderly growth of the economies of the member countries. In addition, it is to devise more effective methods of assisting the less-developed countries and for arranging to distribute the aid burden more equitably.

The first protocol gives the members of the European Economic Community the option of acting individually within the OECD, or jointly through one of their commissions, such as the High Authority of the Coal and Steel Community, or the European Atomic Energy Community.

The second protocol covers the privileges, exemptions, and immunities of OECD officials and representatives.

Oil pollution treaty

Executive C—Ratified May 16, 1961:

The Senate unanimously ratified Executive C, the International Convention for the Prevention of Pollution of the Sea by Oil, signed at London, May 12, 1954.

As ratified, the convention prevents pollution of the high seas (only) by oil and oily wastes discharged by tankers and other ships only (not structures), and thus controls their harmful effect on coasts and coastal waters, birds, wildlife, fish, and marine resources. The Oil Pollution Act of 1924 continues to apply to U.S. territorial waters.

The convention applies to seagoing ships registered in any territories of a contracting government except: (1) Ships used as naval auxiliaries; (2) ships under 500 gross tons; (3) ships engaged in whaling industry; and (4) ships navigating the Great Lakes of North America and their connecting and tributary waters.

The convention is now in force for Belgium, Canada, Denmark, Finland, France, Germany, Ireland, Mexico, the Netherlands, Norway, Poland, Sweden, and the United Kingdom.

Penalties for violations by ships under U.S. registry will be imposed by U.S. courts if found guilty upon presentation of evidence by U.S. prosecuting attorneys.

Vietnam-United States Treaty

Executive J—Ratified September 11, 1961:

The Senate unanimously ratified the treaty of amity and economic relations between the United States and the Republic of Vietnam, a treaty designed to provide protection for property and interests of American citizens and companies in Vietnam and to assure fair and nondiscriminatory treatment with respect to engaging in commercial, industrial, and financial activities in those countries, in return for like assurances in the United States.

The treaty covers entry and sojourn, personal freedoms, property rights, business activities, taxation, exchange regulations, and matters affecting the status and activities of citizens and enterprises of one country within the territories of the other. The treaty also provides that the property of nationals and companies of either part is not to be taken except for a public purpose, nor is it to be taken without the prompt payment of just compensation. It requires that if any dispute regarding any provision of this convention arises as between the parties and if the dispute is not satisfactorily settled by other means, the dispute is to be submitted to the International Court of Justice. The effect of this requirement is to waive the Connally amendment requirement with respect to the limited category of disputes which might arise as to the interpretation or application of this treaty. At the point of referral, the International Court, before it could take jurisdiction, would be required to find that its jurisdiction extended to the subject matter of the dispute.

This is the first of its type to be entered into between Vietnam and the United States; however, the provisions are substantially similar to those found in other modern commercial treaties negotiated by the United States. It does not provide for a specific treaty right of entry and establishment of business enterprises because of Vietnam's reluctance to accept such a provision based on her concern about the possible effects of potential economic penetration from abroad.

VETERANS

Appeals

H.R. 866—Public Law 87-97, approved July 20, 1961:

Requires that decisions of the Board of Veterans' Appeals be in writing and that they contain findings of fact and conclusions of law stated separately. The practice of the Board now is to give only a narrative of some of the evidence presented and only generalized facts of law which in certain cases makes it difficult to tell why certain claims are allowed and others denied. Such a legal framework of presentation will benefit the claimants by requiring more care and analysis by the Board members.

Disability compensation increase—NSLI

H.R. 879—Passed Senate amended July 17, 1961:

This act provides increases in the rates of service-connected disability compensation to reflect the changes which have occurred in the cost of living since the last compensation increase in 1957. It increases the monthly rates payable to veterans of all wars and peacetime service who have a service-connected disability rated between 10 and 100 percent or who are entitled to receive compensation at one of the higher statutory award rates which, at present, run to a maximum of $450 or as much as $600 monthly if the veteran is entitled to the $450 rate, needs regular aid and attendance, and is not being cared for in a Veterans' Administration hospital.

A monthly increase of 50 cents provided for the 10 percent disabled, $1 for the 20 percent, and $2 for the 30 percent disabled. Thus increases range from 2.6 to 8.9 percent in the disability compensation rates payable to veterans disabled 10 to 100 percent; however, for those veterans receiving or entitled to receive one of the statutory award rates the increases range from 7.5 to 16.7 percent.

Restores for 2 years after January 1, 1962, the eligibility of veterans who served between October 8, 1940, and April 24, 1951, to apply for national service life insurance.

Discharge

H.R. 6269—Public Law 87-102, approved July 21, 1961:

Makes the end of military duty effective from midnight of the day of discharge. The uniform ruling will help the Veterans' Administration end confusion in regard to benefit provisions in certain cases where soldiers have been injured en route home from point of discharge. It would only be in effect for such cases as occurred prior to December 31, 1956.

Deceased veteran—Remains

H.R. 7148—Public Law 87-99, approved July 21, 1961:

Provides for transporting the remains of a veteran who dies in a Veterans' Administration facility in any State, territory, or in the District of Columbia, Puerto Rico, or the Canal Zone, to the place of burial in any State or the Canal Zone. As the law now stands such transportation is not allowed to Puerto Rico or any territory or possession of the United States, although the veteran may have been sent away from his home in one of these territories as the result of his military orders.

Home loans

H.R. 5723—Public Law 87-84, approved July 6, 1961:

Extended the direct and guaranteed home loan programs for World War II veterans to July 26, 1967, and for Korean conflict veterans to February 1, 1975; authorized an additional $1.2 billion for direct loan program through fiscal 1967.

NSLI—Disability compensation increase

H.R. 856—Passed Senate amended September 1, 1961. Senate asked for conference September 1, 1961:

The purpose of this measure is threefold:

1. Effective July 1, 1962, this bill provides a new plan of insurance for national service life insurance (NSLI) policyholders. The plan is modified life insurance which provides a level premium throughout the life of the insured but the face value of the policy will be automatically reduced by 50 percent at the end of the day preceding the insured's 65th birthday. The face value of any extended term insurance in force under this modified life policy will also be reduced by 50 percent at that time. The insured, upon written application, payment of the required premium and without medical examination, may be issued additional insurance on the ordinary life plan to replace the amount of insurance which is reduced on his 65th birthday; however, in order to be eligible for this replacement insurance the modified life plan must be in force by payment or waiver of premiums at time of reduction. Permits NSLI policyholders to convert their term insurance to exchange their permanent plan insurance for the modified life

plan, and authorizes service-disabled persons who have been issued insurance under 38 U.S.C. 722(a) to convert or exchange their insurance for the modified life plan.

2. Restores for 2 years after January 1, 1962, the eligibility of veterans who served between October 8, 1940, and April 24, 1951, to apply for national service life insurance.

3. Provides increases in the rates of service-connected disability compensation to reflect the cost-of-living increases. It increases the monthly rates payable to veterans of all wars and peacetime service who have service-connected disability rates between 10 and 100 percent or who are entitled to receive compensation at one of the higher statutory award rates, which presently run to a maximum of $450 or as much as $600 monthly if the veteran is entitled to the $450 rate, needs regular aid and attendance and is not being cared for in a Veterans' Administration hospital. Increases from 3 to 7 years the presumption of service connection for multiple sclerosis.

NSLI—Dividends

H.R. 4539—Public Law 87-223, September 13, 1961:

Authorizes payment of a special insurance dividend ranging from $100 to $150 to veterans who have national service life insurance of the RS or W varieties. The RS insurance is entirely term insurance with the premium rate increasing at the end of each 5-year period. The W insurance is both term and permanent, the permanent plans being the usual ones available and the term insurance of this variety with rates also increasing at the end of each 5-year period.

The W insurance, created by Public Law 85-896, provided that holders of RS policies who wanted to could exchange for a new type insurance not renewable after age 50, but at greatly reduced cost. It also permitted conversion to permanent insurance for the 675,000 policyholders in these two categories. Approximately two-thirds converted from RS to W. The mortality table on which the RS insurance was calculated was considered to be reasonable at the time the insurance program was started for those veterans who served on or after June 27, 1950. The RS insurance has produced a surplus in the revolving fund of approximately $65 million and, while there is no legal requirement that a dividend be paid, equity demands it.

Thus, this bill provides for an immediate dividend to all holders of W insurance and to all holders of RS insurance who exchange or convert their policies within 2 years after enactment of the bill for W insurance. For those holders of RS insurance who do not elect to do this, the dividend will be payable at the time of their death if it occurs after November 1, 1960, and before expiration of the 2-year period.

Outpatient care—And war orphans

H.R. 3587—Public Law 87-377, approved October 4, 1961:

Provides for outpatient medical and dental treatment for veterans of the Indian wars on the same basis as similar treatment is furnished to veterans of the Spanish-American War.

Provides additional time within which certain children may complete a program of education under the War Orphans Educational Assistance Act of 1956. The class of eligibles afforded additional time is limited exclusively to persons whose opportunities for an education under the act have been impaired by virtue of their residence in the Republic of the Philippines. Additional time would be available to a person who had not reached his 23d birthday on June 29, 1956, and resided in the Philippines during all or part of the period June 29, 1956, through June 18, 1958.

Veterans' widows' compensation

H.R. 6969—Public Law 87-268, approved September 21, 1961:

The purpose of this bill is to make adjustments in the dependency and indemnity compensation rates for widows of veterans whose deaths are service connected.

Under present law widows eligible for service-connected death pensions are paid $112 monthly, plus 12 percent of the pay of the veteran according to rank and years of service. The lowest payment is $122 monthly and the highest $337.

A widow eligible for non-service-connected death pension, with less than $1,000 of annual income (and as many as five children) could receive payments of $135 monthly.

The change enables the Veterans' Administrator to pay a widow or child an amount equal to the greater amount which the beneficiary would have been entitled to under the pension program.

War veterans—Eligibility extended

H.R. 2953—Public Law 87-101, approved July 21, 1961:

Authorizes veterans to qualify for the 90-day service requirement for receiving a pension by adding together two or more separate periods of duty which might have occurred in World War I or II or in the Korean conflict. Such an addition would also benefit the widows and children of deceased veterans. As the law stands veterans may only add up periods of service occurring in one war.

ROLLCALL OR VOICE VOTES ON LEGISLATIVE RECOMMENDATIONS SUBMITTED BY PRESIDENT KENNEDY SINCE JANUARY 20, 1961, 87TH CONGRESS, 1ST SESSION

During the 1st session of the 87th Congress and, to be exact, since the 20th of January, President Kennedy has submitted 203 recommendations or legislative guidelines to Congress. These proposals have been examined, considered, changed wherever necessary, and some actions postponed until next session in order to give more study to the problem.

Below is a recap of legislative action taken on these recommended guidelines. Following the recapitulation is a list of all the recommendations with a detailed analysis of all activity on each.

Recap

Total number of recommended guidelines submitted	203
Action completed	124
Partial action	1
Passed Senate	13
Passed House	2
Reported to Calendars	7
Hearings	31
No action	12
In conference	2
Postponed to next session	10
Rejected	1

Number of Presidential recommendations submitted and number upon which Congress completed action from 1953 through 1961

	1953	1954	1955	1956	1957	1958	1959	1960	1961
Administration submitted	83	128	147	151	155	149	162	152	203
Action completed	58	60	77	101	67	84	79	63	124

Symbols:
S—State of Union.
SPM—Special message.
S—State of Union.
B 3-24—Kennedy budget message.
*—In accord with President's program.

Rollcall or voice votes on legislative recommendations submitted by the President, 87th Cong., 1st sess.—Jan. 20 to Sept. 27, 1961

AGRICULTURE

[Symbols: SpM—Special message; B 3-24—Kennedy budget; *—In accord; E/C—Executive communication; S—State of Union]

Recommendations	Progress								
	Hearings		Reported		Final passage vote		Postponed to next session	In conference	Final action
	Senate	House	Senate	House	Senate	House			
#1. Enact special feed grain program fo r1961; provide that cooperators will be eligible for price supports on corn and other feed grains; and authorize a special agricultural conservation program under which acreage previously planted to feed grains will be diverted from production for 1961 (E/C)	X	X	X	X	52 to 26 (3-10).	209 to 202 (3-9).			PL 87-51; approved 3-22-61.
2. Extend the Sugar Act	X	X	X	X	Voice (3-29)	284 to 129 (3-21).			PL 87-15; approved 3-31-61.
3. Authorize $2 billion increase in title I authority of PL 480, to continue sale of surplus agricultural products for local currencies (SpM 3-16)	X	X	X	X	Voice (4-24)	Voice (4-26)			PL 87-28; approved 5-4-61.
4. Amend the Soil Conservation and Domestic Allotment Act of 1936 to establish national farmer advisory committees for every commodity or group of related commodities for which a new supply adjustment program is planned; place responsibility for considering and recommending individual commodity programs; and authorize payment of expenses for the members of these committees (SpM 3-16)	X	X	X	X	Voice (7-26)	Voice (7-27)			PL 87-128; approved 8-8-61 (modified).

Rollcall or voice votes on legislative recommendations submitted by the President, 87th Cong., 1st sess.—Jan. 20 to Sept. 27, 1961—Con.

AGRICULTURE

[Symbols: SpM—Special message; B 3-24—Kennedy budget; *—In accord; E/C—Executive communication; S—State of Union]

Recommendations	Progress								
	Hearings		Reported		Final passage vote		Postponed to next session	In conference	Final action
	Senate	House	Senate	House	Senate	House			
5. Amend Agricultural Marketing Agreement Act of 1937 to permit marketing orders to be used for a wider range of commodities; provide more flexibility in dealing with commodities for which a national or area program may be devised; and permit, subject to the approval of producers and Congress, the establishment of quotas and allotments for individual producers (SpM 3-16)	X	X	X	X	Voice (7-26)	Voice (7-27)			PL 87-128: approved 8-8-61 (modified).
6. Amend the Agricultural Adjustment Act of 1938 to permit supply adjustment through marketing quotas authorized either in quantitative terms or in terms of production for individual farm acreage allotments, subject to affirmative approval by producers and Congress (SpM 3-16)	X	X					X		
7. Modify the Agricultural Act of 1949 (price supports) to permit the method of supporting producer income most appropriate to the competitive and international position of the commodity (SpM 3-16)	X	X					X		
8. Provide that either House or Senate can veto within 60 days of the program's submission to Congress (SpM 3-16)	X	X					X		
9. Extend Agricultural Trade Development Act (PL 480); authorize title I sales at a higher level; and liberalize contributions of food and fiber to voluntary agencies for use abroad (SpM 3-16)	X	X	X	X	Voice (7-26)	Voice (7-27)			PL 87-128; approved 8-8-61.
10. Expand the school lunch program, with the increase going to the areas of high level of unemployment; and change the allocation formula to include the number of children who actually receive school lunches (SpM 3-16)	X	X	X	X	Voice (6-20)	319 to 65 (6-6)			PL 87-112; approved 7-26-61.
11. Extend and improve the special school milk program (SpM 3-16)	X	X	X	X	Voice (6-21)	Voice (6-26)			PL 87-128; approved 8-8-61.
12. Permit farmers' cooperatives to purchase, acquire, and build processing plants and related facilities and to merge with other cooperatives so long as such activities do not create a monopoly or substantially lessen competition (SpM 3-16)	X	X	X	X			X		
13. Accelerate, through a larger Federal grant, the present Federal-State cooperative assistance program to farm and small-forest owners for the application of scientific forestry techniques (SpM 3-16)	X	X	X	X	Voice (6-7)	Voice (4-18)			PL 87-122; approved 8-3-61.
14. Expand tree-planting funds to make productive 50 million acres that will not restock naturally and to increase the timber stand on another 100 million acres (SpM 3-16)	X	X	X	X	Voice (6-7)	Voice (4-18)			PL 87-122; approved 8-3-61.
15. Consolidate and improve the lending authorities of Farmers Home Administration (SpM 3-16)	X	X	X	X	Voice (7-26)	Voice (7-27)			PL 87-128; approved 8-8-61.
16. Increase protection against losses caused by fire, forest insects and tree diseases (SpM 3-16)	X	X	X	X	Voice (6-7)	Voice (4-18)			PL 87-122; approved 8-3-61.
17. Provide funds to accelerate the permanent soil conservation and small watershed programs (SpM 3-16)	X	X	X	X	Voice (6-7)	Voice (4-18)			PL 87-112; approved 7-26-61.
18. Authorize contracts under Great Plains conservation program to be entered into for period ending 12-31-71 (SpM 3-16)	X	X	X	X	Voice (7-26)	Voice (7-27)			PL 87-128; approved 8-8-61.
19. Extend Wool Act (SpM 3-16)	X	X	X	X	Voice (7-26)	Voice (7-27)			PL 87-128; approved 8-8-61. (Extended 4 years.)

ANTICRIME

20. Strengthen anti-crime laws*	X	X	X	X	Voice	Voice	(H.R. 468).		PL 87-197. PL 87-216. PL 87-218. PL 87-228. PL 87-368.

AVIATION

21. Amend the Federal Airport Act to— (a) Extend the act through 6-30-65; (b) Authorize Federal matching grants to State and local authorities—$100 million a year for each of next 4 fiscal years; (c) Make available for use in that or any other State, at Administrator's discretion, any part of funds apportioned to particular States which are not used or obligated in fiscal year for which authorized; (d) Provide that no project be approved which does not include installation of landing aids for safe and efficient operation; (e) Prohibit use of Federal funds for any part of an airport building except space for an activity directly related to safety; (f) Permit Federal participation in approved projects as follows: Up to 75 percent of certain costs relating to landing aids, and up to 50 percent of other allowable costs such as clear cones, runways, and taxiways; (g) Treat Alaska and Hawaii on same basis as all other States. (Letter to Vice President 4-24.) H.R. 8102	X	X	X	X	Voice (9-1)	Voice (8-1)			PL 87-255, app. Sept. 20, 1961.

Rollcall or voice votes on legislative recommendations submitted by the President, 87th Cong., 1st sess.—Jan. 20 to Sept. 27, 1961—Con.

CIVIL RIGHTS

[Symbols: SpM—Special message; B 3-24—Kennedy budget; *—In accord; E/C—Executive communication; S—State of Union]

Recommendations	Progress								
	Hearings		Reported		Final passage vote		Postponed to next session	In conference	Final action
	Senate	House	Senate	House	Senate	House			
22. Extend Civil Rights Commission*	X	X	X	X	70 to 19 (8-30)	300 to 106 (9-13).			PL 87-264, approved 9-21-61.
23. Outlaw poll tax—Constitutional amendment*: S.J. Res. 58, 81, H.J. Res. 404	X	X							
CONFLICTS OF INTEREST									
24. Enact Executive Employees' Standards Act which would— (a) Close gaps in existing laws and eliminate differences in treatment; (b) Overrule existing judicial interpretation that *only* when money is involved is a former government employee prohibited from working for a private interest in a matter for which he once had governmental responsibility; (c) Establish special standards for part-time skilled Federal employees to permit them to continue their private business if there is no direct conflict between the public and private work; (d) Permit agency heads to adopt implementing regulations and impose disciplinary measures; (e) Include District of Columbia government and its employees; (f) Require each agency, within 120 days to issue codes governing ex parte contacts within the agency specifying particular standards to be applied in each type proceeding; (g) Provide penalties and appropriate sanctions for violations of such codes (SpM 4-27). S. 1902, H.R. 8140		X		X		Voice (8-7)			
DEFENSE									
25. Expand and accelerate Polaris program—authorize construction of 10 more submarines for 1962 plus 10 for 1961 (SpM 3-28)	X	X	X	X	Voice (5-15)	Voice (5-24)			PL 87-53; approved 6-21-61.
26. Increase Minuteman and Skybolt missile programs—$96 million and $46 million, respectively (SpM 3-28)	X	X	X	X	81 to 0 (8-4)	412 to 0 (6-28)			PL 87-144, approved 8-17-61.
27. Increase airborne alert budget by $44.6 million (SpM 3-28)	X	X	X	X	81 to 0 (8-4)	412 to 0 (6-28)			PL 87-144; approved 8-17-61.
28. Reenact sec. 512(b) granting discretionary authority to provide cost of airborne alert as deficiency expense (SpM 3-28)	X	X	X	X	81 to 0 (8-4)	412 to 0 (6-28)			PL 87-144; approved 8-17-61.
29. Accelerate Midas warning program by adding $60 million in new obligational authority (SpM 3-28)	X	X	X	X	81 to 0 (8-4)	412 to 0 (6-28)			PL 87-144; approved 8-17-61.
30. Strengthen capacity to meet limited and guerrilla warfare (SpM 3-28)	X	X	X	X	81 to 0 (8-4)	412 to 0 (6-28)			PL 87-144; approved 8-17-61.
31. Expand research on nonnuclear weapons—additional $122 million in new obligational authority (SpM 3-28)	X	X	X	X	81 to 0 (8-4)	412 to 0 (6-28)			PL 87-144; approved 8-17-61.
32. Expand airlift capacity—additional $172 million in new obligational authority (SpM 3-28)	X	X	X	X	Voice (5-15)	Voice (5-24)			PL 87-53; approved 6-21-61.
33. Increase procurement for limited war capabilities—$230 million in new obligational authority (SpM 3-28)	X	X	X	X	Voice (5-15)	Voice (5-24)			PL 87-53; approved 6-21-61.
34. Increase manpower by 13,000 men (SpM 3-28)	X	X	X	X	81 to 0 (8-4)	412 to 0 (6-28)			PL 87-144; approved 8-17-61.
35. Decrease B-70 bomber program by $138 million (SpM 3-28)	X	X					X		
36. Military construction authorization: (*)	X	X	X	X	Voice (5-9)	411 to 0 (3-23)			PL 87-57; approved 6-27-61.
37. Military procurement authorization (SpM 3-28)	X	X	X	X	Voice (5-15)	Voice (5-24)			PL 87-53; approved 6-21-61.
38. AEC authorization, and include construction of new $114 million linear electron accelerator (B 3-24)	X	X	X	X	Voice (7-18)	Voice (7-13)			PL 87-315; approved 9-26-61.
39. Appropriate an additional $100 million for the Army to procure new helicopters, armored personnel carriers, new howitzers, etc. (SpM 5-25)	X	X	X	X	81 to 0 (8-4)	412 to 0 (6-28)			PL 87-144; approved 8-17-61.
40. Appropriate additional $60 million for increase in Marine Corps strength to 190,000 men (SpM 5-25)	X	X	X	X	81 to 0 (8-4)	412 to 0 (6-28)			PL 87-144; approved 8-17-61.
41. Triple the $104 million request for OCDM (SpM 5-25)	X	X	X	X	81 to 0 (8-4)	412 to 0 (6-28)			PL 87-141 and 144.
42. Authorize the President to order units and members in Ready Reserves to active duty for not more than 12 months (E/C 7-26)	X	X	X	X	75 to 0 (7-28)	403 to 2 (7-31)			PL 87-117; approved 8-1-61.
43. Authorize additional appropriations for aircraft, missiles, and naval vessels for the Armed Forces (E/C 7-26)	X	X	X	X	81 to 0 (7-28)	406 to 0 (8-2)			PL 87-118; approved 8-3-61.
44. Appropriate an additional $3,456,600,000 for defense, making total of $47.5 billion (E/C 7-26)	X	X	X	X	85 to 0 (8-4)	412 to 0 (6-28)			PL 87-144; approved 8-17-61.
45. Authorize immediately the Cooperation Agreement with Republic of France (9-7-61) H.J. Res. 569	X	X	X	X	Voice (9-20)	Voice (9-19)			PL 87-363; approved 10-4-61.

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DISTRICT OF COLUMBIA

[Symbols: SpM—Special message; B 3-24—Kennedy budget; *—In accord; E/C—Executive communication; S—State of Union]

Recommendations	Progress								
	Hearings		Reported		Final passage vote		Postponed to next session	In conference	Final action
	Senate	House	Senate	House	Senate	House			
46. Amend National Cultural Act to enlarge building site: *S. 516, H.R. 988									
47. Enabling legislation for ratification of 23d amendment—District of Columbia right to vote in Presidential elections.	X	X	X	X	66 to 6 (9-19)	Voice (8-14)			PL 87-389; approved 10-4-61.
48. Provide for an elected mayor, city council, and nonvoting Delegate to House for District of Columbia (draft 7-14): S. 2342, H.R. 8178									
ECONOMIC									
49. Extend duration of Federal unemployment compensation (SpM 2-2)	X	X	X	X	84 to 4 (3-16)	392 to 30 (3-1)			PL 87-6; approved 3-24-61.
50. Extend duration of railroad unemployment compensation*	X	X	X	X	Voice (3-16)	Voice (3-6)			PL 87-7; approved 3-24-61.
51. Authorize Federal participation in aid to dependent children program (SpM 2-2)	X	X	X	X	Voice (4-20)	Voice (3-10)			PL 87-31; approved 5-8-61.
52. Improve the permanent unemployment compensation program (SpM 2-2, E/C 6-14): S. 2084, H.R. 7640									
53. Enact an area redevelopment program (SpM 2-2)	X	X	X	X	63 to 27 (3-15)	250 to 166 (3-29).			PL 87-27; approved 5-1-61.
54. Improve the old age, survivors, and disability insurance program: (a) Raise minimum monthly benefit for retired worker from $33 to $43 a month; (b) Improve retirement protection by paying actuarially reduced benefits to men at 62; (c) Reduce required coverage to 1 quarter out of every 4; (d) Increase widow's benefit from 75 percent to 85 percent of husband's monthly benefit; (e) Broaden disability insurance protection to include workers totally disabled for 6 months; (f) Finance improved benefits by adding ¼ of 1 percent each to employer's and employee's contributions beginning 1-1-63 (SpM 2-2)	X	X	X	X	90 to 0 (6-26)	400 to 14 (4-20)			PL 87-64; approved 6-30-61.
55. Increase debt limit (present ceiling of $293 billion expires 6-30) (B 3-24)	X	X	X	X	Voice (6-29)	231 to 148 (6-26).			PL 87-69; approved 6-30-61.
56. Expand lending capacity of SBA (SpM 5-25)	X	X	X	X	Voice	Voice			PL 87-198; PL 87-305.
EDUCATION									
57. Enact Federal aid to education bill which would authorize 3-year program of general assistance for public elementary and secondary classroom construction and teachers' salaries—$666 million for first year rising to $866 over 3-year period (SpM 2-20): S. 1021	X	X	X	X	49 to 34 (5-25)				
58. Extend payments to local school districts in areas of Federal impact, at about half the existing rates (letter to Johnson-Rayburn 2-27): S. 2393	X	X	X	X	Voice (9-12)	342 to 18 (9-18)			PL 87-344; approved 10-4-61.
59. Authorize $250 million annual 5-year extension of current college housing loan program to meet Government's share of residential housing for students and faculty, with additional lending authority for 1961 (SpM 2-20)	X	X	X	X	64 to 25 (6-12)	235 to 178 (6-22).			PL 87-70; approved 6-30-61.
AID TO HIGHER EDUCATION									
60. Authorize annual $300 million 5-year long-term, low-interest-rate loan program for construction, renovation, and modernization of classrooms, laboratories, libraries, and related structures for higher institutions, public and private (SpM 2-20): S. 1241, H.R. 8900	X	X	X	X					
61. Authorize $26,250,000 5-year State-administered program of scholarships to supplement present programs of financial assistance to talented and needy students (SpM 2-20): S. 1241, H.R. 8900	X	X	X	X					
62. Extend and improve the National Defense Education Act (E/C 4-26): S. 2393	X	X	X	X	Voice (9-12)	342 to 18 (9-18)			PL 87-344; approved 10-4-61.
63. Provide funds for Indian schools (B 3-24)	X	X	X	X	Voice (6-7)	Voice (4-18)			PL 87-122; approved 8-3-61.
64. Educational TV:* S. 205, H.R. 132	X	X	X	X	Voice (3-21)				
FEDERAL EMPLOYEES									
65. Increase supergrades	X	X	X	X	Voice 9-20-61	305 to 53 (9-18)			PL 87-367; approved 10-4-61.

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GOLD RESERVE

[Symbols: SpM—Special message; B 3-24—Kennedy budget; *—In accord; E/C—Executive communication; S—State of Union]

Recommendations	Progress								
	Hearings		Reported		Final passage vote		Postponed to next session	In conference	Final action
	Senate	House	Senate	House	Senate	House			
66. Amend Federal Reserve Act to establish separate maxima for interest rates paid by member banks on time and savings deposits held in this country by foreign governments or monetary authorities (SpM 2-6): S. 1413, H.R. 6900		X							
67. Unify tax treatment on earning assets of foreign central banks (SpM 2-6): H.R. 5189	X	X	X	X	Voice (4-18)	Voice (3-21)			PL 87-29; approved 5-4-61.
68. Reduce from $500 to $100 duty-free allowance (SpM 2-6): H.R. 6611	X	X	X	X	Voice (7-14)	Voice (5-17)			PL 87-132; approved 8-10-61.
69. Establish International Travel Service in Department of Commerce (SpM 2-6)	X	X	X	X	Voice (2-20)	305 to 104 (5-17).			PL 87-63; approved 6-29-61.
HEALTH									
70. Enact health insurance program under social security program—for 65 years and over—eligible for social security or railroad requirement (SpM 2-9): S. 809, H.R. 4222		X							
71. Aid to medical education (SpM 2-9): S 1072, H.R. 4999	X								
72. Expand and improve community health facilities (SpM 2-9)	X	X	X	X	Voice (9-1-61)	Voice (7-25)			PL 87-395; approved 10-5-61.
73. Enable Public Health Service to create a Bureau of Community Health (SpM 2-9): S. 2269									
74. Establish with National Institutes of Health a National Institute of Child Health and Human Development, including a Center for Research in Child Health (SpM 2-9) (draft 7-19): S. 2269									
75. Increase appropriations for maternal and child welfare grant-in-aid program, crippled children grant-in-aid program, and vocational rehabilitation program (SpM 2-9)	X	X	X	X	Voice (8-3)	Voice (5-17)			PL 87-290; approved 9-22-61.
76. Authorize grants, contracts, and jointly financed cooperative arrangements for research relating to maternal and child health services and crippled children's services (draft 7-19) (E/C): S 2273									
77. Appropriate $1 million for oral polio vaccine (E/C 3-13)	X	X	X	X	Voice (3-27)	Voice (3-7)			PL 87-14; approved 3-31-61.
78. Authorize additional Assistant Secretaries for HEW (draft 4-18): S. 2073	X	X	X		Voice (7-27)				
79. Appropriate $3,515,000 additional for new research facilities (water and air pollution) (SpM 6-14)	X	X	X	X	Voice (8-2)	Voice (5-17)			PL 87-290; approved 9-22-61.
HIGHWAYS AND TRANSPORTATION									
80. Transfer financing of forest and public land highways to Highway Trust Fund (SpM 2-28)	X	X					X		
81. Increase authorization for regular A-B-C systems of primary, secondary, and urban roads by $25 million every 2 years beginning in 1964 until the $1 billion level is reached and maintained (present $925 million) (SpM 2-28)	X	X	X	X		Voice (5-4)	X		
82. Amend Federal Highway Act to require aid in finding reasonable housing at reasonable costs for persons displaced from their homes by future Federal aid highway projects (SpM 2-28)	X	X	X	X	64 to 25 (6-12)				PL 87-70; approved 6-30-61.
83. Extend outdoor advertising control and increase incentive bonus from ½ percent to 1 percent of the State's interstate highway allotment (SpM 2-28)	X	X	X	X	Voice (6-15)	Voice (5-4)			PL 87-61; approved 6-29-61.
84. Retain revenues from aviation fuels tax in the general fund rather than diverting to highway trust fund (SpM's 2-28, 4-20)	X	X					X		
85. Continue present gas tax of 4 cents a gallon scheduled to be reduced to 3 cents 7-1-61 (SpM 2-28)	X	X	X	X	Voice (6-15)	Voice (5-4)			PL 87-61; approved 6-29-61.
86. Increase diesel fuel tax from 4 cents to 7 cents (SpM 2-28)	X	X					X		
87. Increase tax on trucks over 26,000 pounds from $1.50 per 1,000 pounds to $5 (SpM 2-28): (increased to $3)	X	X	X	X	Voice (6-15)	Voice (5-4)			PL 87-61; approved 6-29-61
88. Increase tax on highway tires from 8 cents to 10 cents (SpM 2-28)	X	X	X	X	Voice (6-15)	Voice (5-4)			PL 87-61; approved 6-29-61.
89. Increase tax on inner tubes from 9 cents to 10 cents (SpM 2-28)	X	X	X	X	Voice (6-15)	Voice (5-4)			PL 87-61; approved 6-29-61.
90. Increase tax on tread rubber from 3 cents to 10 cents (SpM 2-28): (increased to 5 cents)	X	X	X	X	Voice (6-15)	Voice (5-4)			PL 87-61; approved 6-29-61.
91. Prevent diversion of $800 million from excise taxes to take effect 7-1-61, from general fund to highway trust fund (SpM 2-28)	X	X	X	X	Voice (6-15)				PL 87-61; approved 6-29-61.
92. Provide increased Federal assistance to State and local governments in planning new or improved mass transportation facilities (E/C 6-20)	X	X	X	X	64 to 25 (6-12)	235 to 178 (6-22).			PL 87-70; approved 6-30-61.

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HOUSING

[Symbols: SpM—Special message; B 3-24—Kennedy budget; *—In accord; E/C—Executive communication; S—State of Union]

Recommendations	Progress								
	Hearings		Reported		Final passage vote		Postponed to next session	In conference	Final action
	Senate	House	Senate	House	Senate	House			
MODERATE INCOME GROUPS									
93. Expand FHA insurance of no-downpayment, 40-year mortgages—now available only to families displaced by governmental action—to include, on a temporary and experimental basis, *any family*, with amendments to make these mortgages more attractive to private investors (SpM 3-9)	X	X	X	X	47 to 42 (6-8)	235 to 178 (6-22).			PL 87-70; approved 6-30-61.
94. Enact new program of long-term, low interest rate loans for rental and cooperative housing, financed from the special assistance fund of FNMA, and processed and supervised by FHA (SpM 3-9)	X	X	X	X	64 to 25 (6-12)	235 to 178 (6-22).			PL 87-70; approved 6-30-61.
LOW INCOME GROUPS									
95. Authorize construction of 100,000 additional low-rent units by removing present limitation on use of remaining authorization in Housing Act of 1949 for public housing (SpM 3-9)	X	X	X	X	64 to 25 (6-12)	235 to 178 (6-22).			PL 87-70; approved 6-30-61.
96. Broaden low-income housing provisions to provide maximum flexibility for local communities to fulfill their particular requirements; increase freedom for local housing authorities in establishing priorities for admission of tenants and in determining design, and a program of demonstration grants to afford communities greater opportunity to experiment in the field of housing for low income families (SpM 3-9)	X	X	X	X	64 to 25 (6-12)	235 to 178 (6-22).			PL 87-70; approved 6-30-61.
HOUSING FOR ELDERLY									
97. Increase present direct loan authorization for housing for elderly from $50 million to $100 million; 50,000 units of low rent public housing earmarked specifically for low income elderly persons and families; increase cost limitation by $500 per room, and authorize an additional subsidy of up to $10 per month for each housing unit (SpM 3-9)	X	X	X	X	64 to 25 (6-12)	235 to 178 (6-22).			PL 87-70; approved 6-30-61.
REVITALIZE URBAN AND METROPOLITAN AREAS									
98. Give local communities wider discretion in determining renewal areas (SpM 3-9)	X	X	X	X	64 to 25 (6-12)	235 to 178 (6-22).			PL 87-70; approved 6-30-61.
99. Provide new authorizations totaling $2.5 billion over 4-year period for urban renewal (SpM 3-9)	X	X	X	X	64 to 25 (6-12)	235 to 178 (6-22).			PL 87-70; approved 6-30-61.
100. Liberalize Federal allowances for relocation payments to displaced businessmen whenever the localities are prepared to share in larger compensations (SpM 3-9)	X	X	X	X	64 to 25 (6-12)	235 to 178 (6-22).			PL 87-70; approved 6-30-61.
101. Authorize FHA to insure a wide variety of loans for home improvement purposes in urban renewal areas (SpM 3-9)	X	X	X	X	64 to 25 (6-12)	235 to 178 (6-22).			PL 87-70; approved 6-30-61.
102. Enact legislation permitting resale of existing housing in urban renewal areas at realistic prices for rehabilitation (SpM 3-9)	X	X	X	X	64 to 25 (6-12)	235 to 178 (6-22).			PL 87-70; approved 6-30-61.
103. Increase authorization from $20 million to $100 million and increase Federal share of planning grants to ⅔ (SpM 3-9)	X	X	X	X	64 to 25 (6-12)	235 to 178 (6-22).			PL 87-70; approved 6-30-61.
LAND RESERVES									
104. Authorize $100 million to initiate a program of 20 percent grants to help public bodies finance reservation of land—by acquisition or other means—as permanent urban open space in form of parks and other facilities, and for urban renewal loans to help local agencies finance acquisition of open space for future public or private development (SpM 3-9)	X	X	X	X		235 to 178 (6-22).			PL 87-70; approved 6-30-61 (modified).
COMMUNITY FACILITIES AND URBAN TRANSPORTATION									
105. Authorize an additional $50 million for public facility loans (SpM 3-9)	X	X	X	X	64 to 25 (6-12)	235 to 178 (6-22).			PL 87-70; approved 6-30-61.
RURAL HOUSING									
106. Extend for an additional 5 years, from 6-30-61, loan authority of Secretary of Agriculture for farm home improvements; and permit these loans to be secured either by mortgage or other acceptable form of security (SpM 3-9)	X	X	X	X	64 to 25 (6-12)	235 to 178 (6-22).			PL 87-70; approved 6-30-61.
VETERANS' HOUSING									
107. Extend and provide additional funds for veterans' direct home loan program (SpM 3-9)	X	X	X	X	Voice (6-26)	Voice (4-13)			PL 87-84; approved 7-6-61.
108. Extend veterans' guaranteed home loan program (SpM 3-9)	X	X	X	X	Voice (6-26)	Voice (4-13)			PL 87-84; approved 7-6-61.

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HOUSING—Continued

[Symbols: SpM—Special message; B 3-24—Kennedy budget; *—In accord; E/C—Executive communication; S—State of Union]

Recommendations	Progress								
	Hearings		Reported		Final passage vote		Postponed to next session	In conference	Final action
	Senate	House	Senate	House	Senate	House			
DEMONSTRATION, TRAINING, AND RESEARCH									
109. Appropriate funds for market analysis and statistics needed by private industry and for research into housing and urban problems (SpM 3-9)	------	------	------	------	64 to 25 (6-12)	235 to 178 (6-22).	------	------	PL 87-70; approved 6-30-61.
110. Enact special FHA insurance authorization to help finance tests and demonstration of new approaches to home design and construction in an effort to reduce costs in home building (SpM 3-9)	X	X	X	X	64 to 25 (6-12)	235 to 178 (6-22).	------	------	PL 87-70; approved 6-30-61.
DEPARTMENT OF HOUSING AND URBAN AFFAIRS									
111. Establish new Cabinet-rank Department of Housing and Urban Affairs in executive (SpM 3-9): S. 1633, H.R. 8429	X	X	X	X	------	------	------	------	
INTERNATIONAL									
112. Revise Battle Act (S. E/C 2-22): S. 1215	X	X	X	------	43 to 36 (5-11)	------	------	------	
113. Appropriate the $500 million authorized (1960) for economic aid in Latin America, and $100 million for Chilean reconstruction and rehabilitation program (SpM 3-14)	X	X	X	X	Voice (5-9)	330 to 82 (4-25)	------	------	PL 87-41; approved 5-27-61.
114. Establish permanent Peace Corps (pilot program set up by Executive order) (SpM 3-1)	X	X	X	X	Voice (8-25)	287 to 97 (9-15)	------	------	PL 87-293; approved 9-22-61.
115. Authorize a new, 5-year foreign aid program providing for (SpM 3-22, 5-25)— (a) Giving special attention to nations most willing and able to mobilize their resources, make necessary reforms, and engage in long range planning; (b) Consolidate all U.S. foreign aid programs under new Federal agency; (c) Place fieldwork under direction of a single mission chief in each country reporting to American Ambassador; (d) Provide new agency with 5-year authorization to make long-term, low-interest or interest-free development loans, repayable in dollars; (e) Direct Secretary of State to coordinate military assistance program, Export-Import Bank, Inter-American Fund for Social Progress and international organization activities with economic aid; (f) Provide that annual appropriations be available until spent; (g) Appropriate $1.5 billion to finance the part of economic aid that is unsuitable for development loans; (h) Appropriate $700 million for long-term development loans, repayable in dollars; (i) Provide $1.6 billion for long-term loans for each of succeeding 4 years; (j) Make available for long-term loans the unappropriated dollar funds now coming in in repayment of principal and interest on previous loans to foreign governments; (k) Appropriate $1.885 billion for military assistance; (l) Include military assistance in Defense budget	X	X	X	X	66 to 24 (8-18)	287 to 140(8-18)	------	------	PL 87-195; approved 9-4-61.
116. Authorize use of $2.5 million in Egyptian currency earned under PL 480 as the U.S. contribution to UNESCO for removal of lesser Egyptian temples to be inundated by construction of Aswan High Dam; and authorize use of $1.5 million in Egyptian currency earned under PL 480 for grants to U.S. archeological groups for research prior to inundation of Nile Valley area (letter to VP 4-6): (Funds only)									
117. Increase USIA funds to $121 million (SpM 5-25)	X	X	X	X	Voice (8-31)	256 to 71 (6-1)	------	------	PL 87-264; approved 9-21-61.
118. Enable United States to participate in resettlement of certain refugees (E/C 7-24): H.R. 8291	X	X	X	X	Voice (8-15)	Voice (9-6-61)	------	X	
119. Establish a U.S. Disarmament Agency for World Peace and Security (SpM 5-25)	X	X	X	X	73 to 14 (9-8)	290 to 54 (9-19)	------	------	PL 87-297; approved 9-26-61.
JUDICIARY									
120. Create 59 additional Federal judgeships (E/C 2-13): S. 912	X	X	X	X	Voice (3-3)	336 to 76 (4-19)	------	------	PL 87-36; approved 5-19-61.
JUVENILE DELINQUENCY									
121. Enact program to combat juvenile delinquency*	X	X	X	X	Voice (4-12)	Voice (8-30)	------	------	PL 87-274, approved 9-22-61.

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LABOR

[Symbols: SpM—Special message; B 3-24—Kennedy budget; *—In accord; E/C—Executive communication; S—State of Union]

Recommendations	Progress								
	Hearings		Reported		Final passage vote		Postponed to next session	In conference	Final action
	Senate	House	Senate	House	Senate	House			
122. Extend coverage and increase minimum wage (SpM 2-2)	X	X	X	X	65 to 28 (4-20)	340 to 78 (3-24)			PL 87-30; approved 5-5-61.
123. Provide an additional Assistant Secretary of Labor (E/C 5-4): S. 1815, H.R. 6882	X	X	X	X	Voice (7-27)	Voice (8-9)			PL 87-137; approved 8-11-61.
124. Amend Pension Plans Disclosure Act to strengthen enforcement (E/C 5-19): S. 1944, H.R. 8723	X	X	X	X					
125. Enact new manpower development and training program (SpM 5-25): S. 1991, H.R. 8399	X	X	X	X	60 to 31 (8-23)				
126. Youth Employment Opportunities Act (sent to VP 6-7): S. 404, H.R. 8354	X	X	X	X					
NATURAL RESOURCES									
127. Enact wilderness protection measure (SpM 2-23): S. 174	X		X		78 to 8 (9-6)				
128. Establish seashore recreation area at Cape Cod (SpM 2-23)	X	X	X	X	Voice (6-27)	278 to 82 (7-10).			PL 87-126; approved 8-7-61.
129. Establish Padre Island as seashore recreation area (SpM 2-23): S. 4	X								
130. Establish Reyes Point as seashore recreation area (SpM 2-23): H.R. 2775, S. 476	X	X	X		Voice (9-7)				
131. Authorize studies of additional seashore recreation areas (SpM 2-23): S. 543, H.R. 5013	X	X		X	Voice (8-28)				
132. Authorize 10-year oceanographic program of $97,501,000 for fiscal 1962 (SpM 2-23): S. 901, H.R. 4276	X	X	X		50 to 32 (7-28)				
133. Enable the Coast Guard to engage in oceanographic research (letter 3-29)	X	X	X	X	Voice (6-12)	Voice (6-5)			PL 87-396; approved 10-5-61.
134. Accelerate forest development on Federal public lands (SpM 2-23)	X	X	X	X	Voice (6-7)	Voice (4-18)			PL 87-122; approved 8-3-61.
135. Establish planning commissions for all major river basins where adequate coordinated plans are not in existence (SpM 2-23): S. 2246, H.R. 8177 (draft 7-14)	X				(H.J. Res. 225—Partial accomplishment)				PL 87-328; approved 9-27-61.
136. Authorize reservation of known future reservoir sites by operating agency whenever necessary (SpM 2-23): H.R. 5261									
137. Extend and increase water pollution control (SpM 2-23)	X	X	X	X	Voice (6-21)	307 to 110 (5-3)			PL 87-88; approved 7-20-61.
138. Extend air pollution control (SpM 2-23): S. 455	X		X		Voice (9-20)				
139. Extend and double current saline water conversion program (SpM 2-23)	X	X	X	X	Voice (8-31)	Voice (8-21)			PL 87-295; approved 9-22-61.
140. Provide uniform cost-sharing standards between Federal and local agencies on local flood-protection projects (SpM 2-23): S. 2246, H.R. 8177 (draft 7-14)	X								
141. Authorize HEW to conduct research as to quality of waters of Great Lakes and means of solving water pollution problems (SpM 2-23)	X	X	X	X	Voice (6-21)	307 to 110 (5-3)			PL 87-88; approved 7-20-61.
POSTAL MATTERS									
142. Adjust postal rates to raise $843 million additional in postal revenue (B 3-24): S. 2382, H.R. 7927		X		X					
PRESIDENCY									
143. Protect succession to the Presidency by making existing law governing threats against and protection for person next in line for Presidency, apply to Vice-President-elect or if the Vice President has succeeded to the Presidency, the one next in line to him; authorize full-time Secret Service protection for VP; and authorize Secret Service protection for a former President for 6 months after he leaves office (letter to VP 4-24): S. 519, H.R. 6691	X	X	X	X		Voice (7-17)			
REORGANIZATION									
144. Reinstate authority to reorganize executive branch (priority list 2-21)	X	X	X	X	Voice (2-6)	Voice (3-29)			PL 87-18; approved 4-7-61.
145. Establish Commission on Presidential Office Space (B 3-24): S. 51	X		X		Voice (7-7)				
146. Fix term of agency chairmen at pleasure of President, and provide that he be responsible to the President (SpM 4-13)		X							
147. Authorize FPC to exempt from rate regulation up to 100 percent of the small individual producers of natural gas (under 2 billion cubic feet per year) whose sales in interstate commerce to pipelines account for only 10 percent of the total (SpM 4-13): H.R. 7575									
148. Authorize FPC to exempt from hearings applications by interstate pipeline companies to enlarge, extend, or replace facilities to benefit existing customers, which do not involve indiscriminate invasion of another pipeline territory (SpM 4-13): H.R. 7575									
149. Increase FPC membership from 5 to 7 (SpM 4-13): H.R. 7575									

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REORGANIZATION—Continued

[*Symbols:* SpM—Special message; B 3-24—Kennedy budget; *—In accord; E/C—Executive communication; S—State of Union]

Recommendations	Progress								
	Hearings		Reported		Final passage vote		Postponed to next session	In conference	Final action
	Senate	House	Senate	House	Senate	House			
150. Authorize FPC and any other ratemaking regulatory agency to require deposits (in escrow) to be returned to the consumer if the rate increase is ultimately disallowed (SpM 4-13): H.R. 7575									
151. Amend sec. II of the Administrative Procedure Act to remove the requirement that hearing examiners receive compensation in accordance with the Classification Act—instead prescribe salaries equivalent to a grade GS-16 (SpM 4-13)	X	X					X		
152. Reorganization Plan I-SEC (SpM 4-27): S. 2135 passed in lieu of	X		X		Voice (9-1)				
153. Reorganization Plan II-FCC (SpM 4-27) S. 2034 enacted in lieu of	X	X	X	X	Voice (7-27)	Voice (8-3)			PL 87-192, approved 8-31-61.
154. Reorganization Plan III-CAB (SpM 5-3)	X	X	X	X					Plan III, effective 7-3-61.
155. Reorganization Plan IV—FTC (SpM 5-9)	X	X	X	X					Plan IV, effective 7-9-61.
156. Reorganization Plan V—NLRB (SpM 5-24)	X	X	X	X					Plan V, rejected by House 7-20.
157. Reorganization Plan VI—Federal Home Loan Bank Board (SpM 6-12)	X	X	X	X					Plan VI, effective 8-12-61.
158. Reorganization Plan VII—Maritime functions (SpM 6-12)	X	X	X	X					Plan VII, effective 8-12.
159. Remove the ceiling on appropriations for salaries for members, staff, and other employees of Council of Economic Advisers (letter to VP 3-30)	X	X	X	X	Voice (5-26)	Voice (5-11)			PL 87-49, approved 6-16-61.
160. Authorize additional Assistant Secretary of Commerce (*): S. 1456, H.R. 6360	X	X	X	X	Voice (5-26)				
161. Authorize FTC to issue temporary cease-and-desist orders (SpM 8-31): S. 2552, H.R. 1233, H.R. 1817		X							
SPACE									
162. Authorize $1,235,300,000 for NASA (E/C 3-29): H.R. 6874	X	X	X	X	Voice (5-29)	Voice (5-24)			PL 87-98; approved 7-21-61.
163. Amend sec. 201 of NASA Act to permit VP to chair Space Council (E/C 4-10)	X	X	X	X	Voice (4-20)	Voice (4-19)			PL 87-26; approved 4-25-61.
164. Provide an additional $679 million for space programs (SpM 5-25)	X	X	X	X	Voice (5-29)	Voice (5-24)			PL 87-98; approved 7-21-61.
TAXES									
165. Enact an investment tax incentive in form of a tax credit of 15 percent of all new plant and equipment investment expenditures in excess of current depreciation allowances; 6 percent of such expenditures below this level but in excess of 50 percent of depreciation allowances; with 10 percent on the first $5,000 of new investment as a minimum credit (SpM 4-20, 5-25)		X							
166. Permit tax credit to be taken as offset against firm's tax liability up to overall limitation of 30 percent in any one year (SpM 4-20)		X							
167. Limit credit to new plant and equipment, assets located in United States and with a life of 6 years or more (SpM 4-20)		X							
168. Exclude from tax credit public utilities investment except transportation and investment in residential construction (SpM 4-20)		X							
169. Provide that, after a 2-step transitional period, American corporations be taxed each year on their current share of the undistributed profits realized in that year by subsidiary corporations organized in economically advanced countries (SpM 4-20)		X							
170. Repeal tax deferral privileges for individual shareholders of closely held corporations in economically advanced countries abroad (SpM 4-20)		X							
171. Eliminate "tax haven" device anywhere in world, even in underdeveloped countries, by eliminating tax deferral privileges for activities such as trading, licensing, insurance and others which seek out tax haven methods of operation (SpM 4-20)		X							
172. Eliminate tax benefits derived from investment companies abroad and treat the income derived through such foreign investment companies in the same way as income from domestic investment companies (SpM 4-20)		X							
173. Terminate the total tax exemption now accorded the earned income of American citizens residing abroad in economically advanced countries (SpM 4-20)		X							
174. Limit exemption for earned income to $20,000 for those residing in less-developed countries (SpM 4-20)		X							
175. Terminate the earned income exemption of $20,000 now accorded citizens who stay (but do not reside) abroad for 17 out of 18 months and are living or traveling in economically advanced countries (SpM 4-20)		X							
176. Terminate the exclusion from the estate tax accorded real property abroad (SpM 4-20)		X							

Rollcall or voice votes on legislative recommendations submitted by the President, 87th Cong., 1st sess.—Jan. 20 to Sept. 27, 1961—Con.

TAXES—Continued

[*Symbols:* SpM—Special message; B 3-24—Kennedy budget; *—In accord; E/C—Executive communication; S—State of Union]

Recommendations	Progress								
	Hearings		Reported		Final passage vote		Postponed to next session	In conference	Final action
	Senate	House	Senate	House	Senate	House			
177. Correct double credit allowance for foreign income taxes on dividends (SpM 4-20)		X							
178. Repeal exclusion of first $50 of dividends from taxable income (SpM 4-20)		X							
179. Repeal 4-percent dividend tax credit on dividend income in excess of $50 (SpM 4-20)		X							
180. Provide a 20-percent withholding rate on corporate dividends and taxable investment type interest, effective 1-1-62, under a system which would not require preparation of withholding statements to be sent to recipients (SpM 4-20)		X							
181. Disallow business entertainment and maintenance of entertainment facilities such as yachts as tax deduction (SpM 4-20)		X							
182. Impose restrictions on deductibility of business gifts, expenses of business trips combined with vacations, and excessive personal living expenses incurred on business travel away from home (SpM 4-20)		X							
183. Withdraw capital gains treatment from gains on disposition of depreciable property, both personal and real, to extent that depreciation has been deducted for such property by seller in previous years, permitting only excess of sales price over original cost to be treated as capital gains. (Treat remainder as ordinary income.) (SpM 4-20)		X							
184. Clarify the law as to cooperatives and financial institutions so that all earnings are taxable to either the cooperatives or to their patrons (SpM 4-20)		X							
185. Apply withholding tax to cooperative patronage dividends or refunds in scrip or cash (SpM 4-20)		X							
186. Continue tax exemption for rural electric cooperatives and credit unions (SpM 4-20)		X							
187. Extend present net 2-cent rate on aviation gas to jet fuels, hold this uniform rate at the 2-cent level for fiscal 1962, and then provide annual increments of ½ cent after fiscal 1962 until the portion of the cost of the airways allocable to civil aviation is recovered by this tax: (SpM 4-20)		X							
188. Authorize use of taxpayer account numbers beginning 1-1-62, to identify taxpayer accounts throughout the processing and recordkeeping operations of IRS (SpM 4-20)	X	X	X	X	Voice (9-26)	Voice (9-7)			PL 87-397; approved 10-5-61.
189. Appropriation $34.4 million for IRS to employ 4,265 additional personnel for audit coverage (SpM 4-20)	X	X	X	X	Voice (6-1)	Voice (3-28)			PL 87-159; approved 8-21-61.
190. Extend present corporation income and excise tax rates scheduled for reduction or termination on 7-1-61 (SpM 4-20)	X	X	X	X	Voice (6-21)	295 to 88 (6-8)			PL 87-72; approved 6-30-31.
TREATIES									
191. Ratify U.S. membership in Organization for Economic Cooperation and Development (SpM 2-6): Executive E	X		X		72 to 18				Ratified 3-1-61.
192. Ratify tax treaty with Canada (SpM 3-12): Executive G	X		X						
193. Ratify German dollar bonds validation agreement: Executive D	X		X		86 to 5				Ratified 5-4-61.
194. Ratify Convention on Prevention of Pollution of the Sea by Oil: Executive C	X		X		92 to 0				Ratified 5-16-61.
195. Ratify modification of International Load Line Convention (SpM 3-27): Executive I	X		X		92 to 0				Ratified 5-16-61.
196. Ratify Treaty of Extradition With Brazil (SpM 3-27): Executive H	X		X		92 to 0				Ratified 5-16-61.
197. Ratify Columbia River Joint Development Treaty With Canada (SpM 2-23): Executive C	X		X		90 to 1				Ratified 3-16-61.
198. Ratify Treaty of Friendship, Establishment, and Navigation With Belgium (SpM 4-10): Executive J	X		X		83 to 0				Ratified 9-11-61.
199. Ratify Geneva Radio Regulations: Executive I	X		X		66 to 0				Ratified 9-25-61.
200. Ratify Treaty of Amity and Economic Relations Between United States and Republic of Vietnam (SpM 5-29): Executive L	X		X		83 to 0				Ratified 9-11-61.
201. Ratify International Telecommunications Convention with annexes: Executive J	X		X		66 to 0				Ratified 9-25-61.
VETERANS									
202. Enact a selective increase in compensation rates for veterans with severe service-connected disabilities to offset rises in cost of living, and to adjust rates in some categories which are out of line (B 3-24): H.R. 879 (H.R. 856)	X	X	X	X	Voice (7-17)	Voice (6-5)		X	
203. Restore President Eisenhower to his military rank of General of the Army (SpM 3-1)	X	X	X	X	Voice (3-7)	Voice (3-14)			PL 87-3; approved 3-22-61.

Address by Gov. Matthew E. Welsh, of Indiana, at Statewide Democratic Rally

EXTENSION OF REMARKS
OF
HON. CLAIBORNE PELL
OF RHODE ISLAND
IN THE SENATE OF THE UNITED STATES
Wednesday, September 27, 1961

Mr. PELL. Mr. President, Rhode Island Democrats were treated to an extraordinarily fine speech by Gov. Matthew E. Welsh, of Indiana, at their annual meeting at Rocky Point, R.I., on Sunday, September 17, 1961. As my colleagues know, September 17 marked the 174th anniversary of the adoption of our Constitution. Although Rhode Island was the last of the Original Thirteen Colonies to adopt the Constitution, we yield to no one in our devotion to the great principles enunciated in the Constitution.

Therefore, Mr. President, I think it was particularly appropriate that Governor Welsh chose to dwell on the necessity for zealous protection of individual rights and freedoms in the State founded by Roger Williams.

Governor Welsh rightfully called attention to the danger from those in our midst, who in the name of anticommunism, seek to undermine the basic liberties of free speech and association which we are seeking to preserve and strengthen in contrast to the Communist system of thought control and dictatorship.

I was particularly struck by the following passage in Governor Welsh's address:

> The howling jackals of suspicion who talk big and think small, who accuse of treason Americans with whom they disagree, and who slander their neighbors with cowardly whispers of disloyalty, are no better than the Communists they oppose vocally. And they are equally a menace to human rights and freedom. For they are within our gates, they walk among us in trust, and yet would destroy the shield of freedom that protects them as well.

Mr. President, I ask unanimous consent that the text of Governor Welsh's address be printed in the RECORD so that the Congress and the public may have the benefit of his profound observations.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

ADDRESS BY GOV. MATTHEW E. WELSH, OF INDIANA, AT A STATEWIDE DEMOCRATIC RALLY SPONSORED BY THE RHODE ISLAND DEMOCRATIC STATE COMMITTEE AND THE RHODE ISLAND YOUNG DEMOCRATS AT ROCKY POINT, R.I., SUNDAY, SEPTEMBER 17, 1961

Governor Notte, Senator Pastore, Senator Pell, Congressman Fogarty, Congressman St. Germain, Chairman McWeeney, distinguished guests, friends, it may seem that I have come a long way to be with you today. And perhaps I have, but Indiana is not as far from here as the map indicates, if we are to believe your neighbor—Connecticut.

For early in the history of our Nation, Connecticut claimed the northern fourth of Indiana, along with a sizable portion of other States en route to us. Had this claim been accepted, I would not be here today—at least not as Governor—for we would not now have the Democratic strongholds of Gary, East Chicago, and South Bend. And in Indiana and the Midwest, a Democrat has very few votes to spare.

But I did not accept your invitation in order to discuss partisan politics with you as enjoyable as that may be here in a solidly Democratic State. Your State is noted for its zealous protection of individual rights and freedoms.

And in a very real sense, America's liberty began here in Rhode Island. Your forefathers declared their freedom from British rule 2 months to the day before the Thirteen Colonies jointly proclaimed the Declaration of Independence at Philadelphia. If liberty was born in the "City of Brotherly Love" in Pennsylvania, it was conceived in Rhode Island.

Since the days of Roger Williams, Rhode Island has been noted for its hospitality to those not in the majority: The Quakers, the Jews, the Catholics, and the Baptists—whose first church in America was built at Providence—and the Irish and Italians. Since its founding, Rhode Island has stood for the individual's right to be free, for his freedom of conscience, freedom to worship God as he sees fit, freedom to think and speak and write as he chooses, and freedom to act.

These freedoms are being challenged today by the Communist conspiracy abroad and attacked at home by those who direct their venom at their fellow countrymen and see treason in differences.

Whether the challenge is a Communist thrust in the Congo, a revolution 90 miles off our shores, a tottering regime in Laos, or desperate peasants in Brazil—the basic issue remains the same, freedom—the inalienable right of a man to be free.

Yet in this struggle, when the choice of the uncommitted is between the Soviet Union and the United States as the spokesman for freedom; America has not been the overwhelming selection. Why has this been so? I do not pretend to know, but it is obvious that these nations do not see us as we see ourselves.

Are we today less able or less willing to advance the cause of liberty than were our forefathers who fanned the flickering embers of freedom into a roaring blaze that less than two centuries ago cast its first light throughout the world?

Do we today have any less the sense of mission, of urgency—yes, even of destiny—than did those men at Providence who declared Rhode Island free of British tyranny and backed up their words with action?

Today marks the 174th anniversary of the adoption of the Constitution of the United States by the convention at Philadelphia, the Constitution which has served as a bulwark of freedom and a model for many peoples seeking to protect their rights against the tyranny of the past.

While Rhode Island was the first of the colonies to declare its freedom, it was the last to accept willingly the yoke of a new government—its reluctance perhaps founded on fear for the rights of the individual citizen—a fear of trading the devil it knew, for the devil it didn't. This skepticism was good and healthy.

We now know, whether we live in Rhode Island or Indiana or Hawaii, that the choice was right, that through law, through our Constitution, through an orderly conduct of society not subject to the capricious whims of temporary leaders, lies our best guarantee of freedom.

And this is why we are so much concerned with methods and means, with procedures of law. For history has taught us, if it has taught us nothing else, that man's bitter and bloody struggle to be free is for the most part a battle for freedom from oppressive methods and means.

Justice Douglas of the U.S. Supreme Court has enumerated a bare handful of these procedures around which have swirled the age-old battles: The right to be free from torture and hated oaths; the right to trial by jury; the right to confront the accuser face to face, and the right to know the charge and have a fair opportunity to defend ourselves.

And the Justice points out that our principles, our articles of faith, include our freedom to speak and to write freely, to worship God as we choose, the sanctity of conscience, the right to be let alone, and government only by consent of the governed.

These rights, these procedures, were hammered out on the anvil of time in the blistering heat of the forge of war. Are our arms now less strong, our eyes less keen, and our hearts less willing to defend these rights at home, where we won them first, or abroad, where the challenge is more open?

Almost three decades ago, one of the free world's greatest and most respected leaders, Franklin Roosevelt, said, "To some generations, much is given. From some generations, much is expected. This generation has a rendezvous with destiny."

These words are truer now than when our President first spoke them to a nation reeling under the impact of economic collapse and desperate with fear and doubt. For today we are engaged in the terminal struggle with those who would destroy individual rights in the name of a higher good.

But make no mistake about it, while international communism in whatever guise it may appear is our principal and strongest antagonist, there are others here in America and scattered throughout the world no less destructive of individual rights and freedoms. It is the evil attacking the rights of man that we have opposed throughout our history, and that we oppose so violently today, not the label it wears.

The howling jackals of suspicion who talk big and think small, who accuse of treason Americans with whom they disagree, and who slander their neighbors with cowardly whispers of disloyalty, are no better than the Communists they oppose vocally. And they are equally a menace to human rights and freedom. For they are within our gates, they walk among us in trust, and yet would destroy the shield of freedom that protects them as well.

These men and women go by a variety of names, and band together in packs sometimes public, but quite often secret and semisecret. They see our struggle with the ideology of the Communist world in the terms of a schoolyard fight, and they urge solutions as unrealistic and oversimplified as their premise.

That they have a right to their beliefs and the full expression of them, we cannot and would not deny, so long as their advocacy is not destructive of the freedom of others.

Yet a leader of one of these organizations has announced publicly that his group will use every device and trick of the Communists, every front organization possible, to attack those whom in his belief are disloyal to his ideals. Germany and Italy have gone through such sad experiences with these so-called superpatriots who pervert the ideals of a great Nation to the mean and twisted fancies of a fanatic fringe.

A policy advanced in good faith by officials is attacked as part of the Communist conspiracy. Departments of government are labeled as untrustworthy and leading us into the hands of Communists. Not content to differ and discuss as honest men can, they seek to destroy the advocate rather than what he advocates.

Not satisfied with discharging their vicious venom, they seek to destroy the reputations of those who dare to differ. The libelous letterwriting campaign to impeach the Chief Justice fo the United States for his opinions is a prime example of this activity.

But why should I spend these moments describing this small but cancerous growth

within our own society, when the greatest menace by far is the closed, slave coalition controlled by the Soviet Union. I do this for the deliberate reason that we must recognize what we oppose, not the label it wears.

We have been menaced before, although never so seriously. A generation ago it was by the Fascists, now by the Communists. We personify our political devils. We convince ourselves that when the evil of today has been defeated we can return to our own affairs content that freedom is once more made secure.

Unhappily this has never been so, and unless mankind undergoes a most remarkable change, there always will be those who seek to enslave others, or restrict their rights. Rhode Island was founded because some colonists in Massachusetts were not content with their own freedom, but had to attempt to force their beliefs on others, on freemen who refused to accept beliefs as chains.

This description of the internal enemies of freedom and the rights of man, may help to focus our attention on America's true role in the world, a role we have had for almost two centuries. While it is today more dangerous and more arduous to fulfill, it is not different.

For we are the leaders of the world revolution for the rights of man as an individual. We are the opponents of slavery of body or mind in whatever form and wherever found. We are the enemies, the first successful enemies, of colonialism whether it was British, Russian or any other imperialism. We are the Nation that through generations has aggressively fought the battle for freedom; and on every continent of the world.

We have learned through the years that political freedom cannot stand by itself in the world. Empty stomachs do not form a solid foundation for human freedom. We know that destitute, starving peasants, uncivilized, illiterate natives of the jungle, and frightened, impoverished workers in the rice paddies on the borders of Red China see freedom in different terms than we. But they do see and yearn for freedom.

Throughout the world today there are the stirrings of millions of people submerged for centuries in grinding poverty, disease, and starvation. They look for help and guidance wherever they can find it, and if they are careless in the selection of their friends, who can blame them.

All of our national leaders, but perhaps most keenly of all—President John F. Kennedy—are alert to our need to meet the global challenge to freedom in all its aspects They have the sense of urgency, of mission, and of destiny that we Americans must find again. Our leaders see our mission and plead with us to understand. But are we less concerned with freedom than our forefathers? Are we now content to drift into the backwaters of our times?

We bicker and quarrel among ourselves. Our leaders are attacked as being in league with the enemy. We doubt our mission and our resources to fulfill the challenge of history. We exaggerated our shortcomings and ignore our accomplishments. We seek to shop for freedom as though it were something to pick up at the bargain counter.

But freedom is not cheap. The price is high. And the question remains: Are we willing to see in time what is demanded of us and do it?

We believe in freedom, in democracy, in peace—and in that order. Let us then dare to do that which is required of us as Americans. To support the friends of freedom whatever they may be—in West Berlin, in Latin America, in Africa, in southeast Asia. Let us have the willingness and courage to give full aid to those peoples and those governments which respect the dignity of man as an individual which have the conviction that the rights of each citizen must be protected. And let us give active leadership and encouragement, as well as material help, to those emerging peoples who have not yet caught the full vision of freedom for themselves.

President Kennedy's bold programs for peace must have the support of all of us, not as Democrats but as Americans.

Further, and equally important, let us oppose those who would subvert freedom—wherever they are—at home or abroad. In this we can make our most direct and personal contribution. For whenever the full rights of any American are restricted or attacked, the image of America before the world is blurred and marred.

This is true whether these restrictions are because of color, or religion, or because self-appointed vigilantes seek to judge the loyalty of their neighbors. Here at home we can oppose every attack and every pressure on the fullest right of each American to speak, to write, to think, and to worship as he pleases.

Let us say to all the world here we stand, for as long as God and history gives us the heart and strength, we can do no other, for we are the Americans.

The New Isolationism

EXTENSION OF REMARKS
OF
HON. DONALD C. BRUCE
OF INDIANA
IN THE HOUSE OF REPRESENTATIVES
Wednesday, September 27, 1961

Mr. BRUCE. Mr. Speaker, every day we see pathetic pictures in our newspapers depicting life in the divided city of Berlin. Our President has rightly stated that the United States will remain firm and defend the rights of the West Berliners.

Yet, we have failed thus far to take any sort of firm action which would show the Soviets that we intend to protect those rights. We have had words, words and more words, but no action. Now rumors are circulating that we are ready to "negotiate," in other words to "give" on Berlin. One proposal that has been advanced is that we turn the whole question over to the United Nations for solution. In reply to this proposal, I wish to insert at this point an editorial from the Indianapolis Star, entitled "The New Isolationism":

[From the Indianapolis Star, Sept. 17, 1961]

THE NEW ISOLATIONISM

Strong support is developing for a proposal that the problem of Berlin be handed over to the United Nations, with the United States accepting whatever solution that body might devise.

This would be a very easy and apparently painless way out of a difficult and awkward situation. It would be in harmony with the purposes of the U.N. After all, it's supposed to prevent wars by helping to settle disputes which might lead to war, isn't it? The expectation seems to be that this device would enable the United States to step out of Berlin with a clear conscience and a solid position as far as world opinion is concerned, because what happened from then on would be the U.N.'s doing, not ours.

Actually it would not be hard to predict what would happen. Some sort of free-city status would be set up for Berlin, as long proposed by the Soviet Union. And then the city would simply be permitted to wither until it dawned on all concerned that the rule of the city had shifted to pro-Communist hands, that its life had become adapted to the Communist pattern, and that as an entity it was isolated and alienated from everything not Communist. So why shouldn't the city then be absorbed into East Germany to put an end to its abnormal situation? And so it would be.

Many Americans, and the United States officially, might deplore this. But it wouldn't really be our affair, would it? It would be the decision of the U.N. We could wash our hands of it.

This is the new isolationism. Maybe we should call it the Eastern isolationism, since its advocacy seems to center on the east coast. There used to be something called midwestern isolationism. Maybe there still is, although we haven't heard the epithet very often lately.

Those, including us, who were known as midwestern isolationists believe simply in making decisions of foreign policy on the basis of American interests first of all, of the interests of our allies next in order of importance, and of other interests only after these first two had been taken into account.

These new Eastern isolationists may have come around to putting American interests first, as they see it in a shortsighted sort of way. Their concern in the Berlin business is to see that the United States does not get drawn into a war over the quarrel there. Certainly that is in the American interest. They also are concerned for the international prestige of the United States, and that too, within limits, is commendable.

But handing Berlin over to the U.N. would be—in scarcely less degree than handing it over directly to the Reds—an outright abandonment of the interests of the people most intimately concerned, the people of Berlin, and indeed, of all Germany. This would be a striking example of the callousness toward other peoples and the shirking of world responsibility which the internationalists have always held up as the hallmarks of isolationism.

It might be different if the U.N. were different. But consider the Congo. There the U.N., supposedly intervening to defend self-determination, presided over a denouement in which self-determination was ruthlessly crushed. The U.N. mission—not the Congolese—decided which of the leaders of the various divisions of the Congo should govern. By design which was apparent from the beginning, those chosen to take power are outright pro-Communists or at least tolerant of the pro-Communists.

To turn the fate of any people over to such an organization is in deepest truth an abdication of world responsibility. And in the end it would result in the complete destruction of American interests. For if free peoples are to be subjugated one by one through being left to the mercies of the U.N., sooner or later America's turn will come.

Those who want the U.N. to do this, with Berlin and other problems, so that the United States can then sit back and escape responsibility for what happens, escape the task of defending free self-determination for peoples who want it—those are genuine isolationists.

Sound Economy To Promote Progress and Security

EXTENSION OF REMARKS
OF
HON. ALEXANDER WILEY
OF WISCONSIN
IN THE SENATE OF THE UNITED STATES
Wednesday, September 27, 1961

Mr. WILEY. Mr. President, our American economy is the backbone of

our great Nation. Of course, our progress and material advancement depends upon a growing economy—but also our security, our survival, also depends upon our ability to produce essential items for our national defense establishments.

Recently, I spoke before the West Allis Advancement Association in West Allis, Wis., on the occasion of the association's 25th anniversary. I addressed myself to the economic needs of our country to support our struggle with anticapitalist communism. I ask unanimous consent to have this speech reprinted in the Appendix of the RECORD.

There being no objection, the speech was ordered to be printed in the RECORD, as follows:

WILEY STRESSES NEED FOR SOUND, STRONG ECONOMY TO PROMOTE PROGRESS AND SECURITY

Friends: As members of the West Allis Advancement Association, and as cooperating citizens of this fine community, you symbolize one of the great strengths—though too often little heralded—of our free way of life. That is; citizen action by association for progress.

I heartily welcome the opportunity, therefore, to join with you in celebrating your 25th anniversary; in paying tribute to the men of vision who organized this association back in 1936; and in looking forward with you to the future.

The progress and security of our Nation and its people depend upon a dynamic, forward-striding economy. The foundation of such dynamism, however, is created here in the grassroots—in West Allis and similar communities, small and large, across the country.

In your splendid endeavors to promote economic, social, civic, and other advancements you well recognize this requires a realistic approach, including: A hard look at the community's liabilities and assets; a reevaluation of economic deficiencies; exploration for new economic opportunity; and the creation of a strong community spirit to enlist individuals, associations, and others in the noble struggle to build a better community.

For your outstanding accomplishments, I commend you.

Recognizing that the battle has not been completely won—that both problems and promises lie on the road ahead—I stand with you ready to be of service in helping to promote greater progress in this fine community.

As your servant in the U.S. Senate, I have experienced—and let us face it, enjoyed—the opportunity as well as the responsibilities of serving you, the people, and the Nation.

In your thoughtful invitation for me to speak on this 25th anniversary, your board suggested a discussion of "The History and Results of Foreign Aid."

I shall be happy to discuss this significant feature of our national defense.

In my judgment, however, we must consider it in perspective, in relation to its proportionate role in our global effort to provide for our security and survival in a war-threatened world.

PROGRESS IN NUCLEAR-SPACE AGE

Today, we live in ever-changing, fast-advancing, revolutionary times.

The God-given ingenuity of man, miraculously transmuting ideas into tools for shaping history, has dramatically changed life in the 1960's.

Within reach of our memories—yes, within the 23 years I have served you in Congress—we have seen such far-reaching progress as:

Supersonic jet travel; and experimental rocket-powered airspeeds of over 3,500 miles per hour; man's adventure into outer space, including the orbiting of satellites and of man himself around the earth; an industrial revolution resulting from—among other things—automation; the mechanization of the American farm; improvements in business methods and procedures; scientific breakthroughs for bettering the health of millions of people; great improvements in mass communication, including television; a new kind of home life for Americans—functioning modernly upon electrical-pulse pushbuttons, as well as heartbeats; and a variety of other dramatic, far-reaching changes in our daily, national, and international lives.

Literally living in a new world—we must attain a new understanding and perspective of the forces and influences—and their interrelationships—that shape our destiny.

U.S. FOREIGN POLICY

Today, there are over 100 nations—with a population of about 3 billion people—around the globe.

Now, how do we handle our relationships with these people and nations? By a system called foreign policy.

Basically, it includes:

The conduct of relations—economic, social, political, cultural—with friendly countries around the world; efforts to resolve differences—and meet the threats—of countries with whom U.S. policies are in basic disagreement, such as communism; evaluating the impact of world conditions—for example, the effects of trade and commerce, on our domestic economy—and adopting programs to protect U.S. interests; and accurately assessing other international events and their significance to our security and progress—utilizing these as guidelines for creating and conducting our own defense, economic, and other policies.

In normal times, we could:

Devote more of our time and energies to peaceful pursuits; utilize more of our human and natural resources toward an ever-better life—now fortunately the highest standard of living in history; and make great progress toward creation of a world in which law and order were respected, and all nations could pursue their self-determined goals.

Today, however, communism—controlling nearly 1 billion people and vast lands and industrial and natural resources—is clutching for our jugular vein—attempting to kill off freedom.

Consequently, the design of our foreign policy—and, in fact, the tempo and direction of our domestic life—is affected, to a large degree, by this great—and growing—threat to our security and survival.

EAST-WEST MILITARY FORCES

Now, what is being done to cope with this threat?

For 1962, Congress has earmarked about $48 billion for putting more "muscle" and "fire power" into our security forces. The major features include:

Mobilization of more manpower, including reserve forces;

Strengthen the mighty arsenal of jet planes, nuclear bombs, aircraft carriers, missiles, missile-carrying submarines;

Creating more mobility and flexibility—including atomic armaments—for limited warfare; and

Attempting to pace our development of atomic weapons to the Red threat—including the President's recent decision to resume underground nuclear testing.

A military force, of course, is effective only in relation to the size and power of its enemy.

During this year, Mr. Khrushchev initiated the "beefing-up" of Red military forces, by maintaining a high level of mobilized manpower in the military forces; resuming nuclear tests; more currently, testing higher powered rockets for delivery of super bombs; and engaging in more attempts at power politics and rocket-missile blackmail.

ROLE OF UNITED STATES AS FREE WORLD LEADER

In the face of the Red threat, Western nations—as well as the so-called noncommitted countries, have a stake in the survival of freedom; in the defeat, or at least containment, of communism; and in the creation of a world in which nations have the right to determine their own destinies.

MUTUAL SECURITY PROGRAM

For this reason, we, of the free world, have banded together for our own security.

And now, after a circuitous trip, I come to your recommended topic, the foreign aid or mutual security program.

What is the purpose? Fundamentally, the program has served as the lifeblood of free world military and economic efforts to combat communism.

As a pioneering effort of nations to work together for mutual defense, there have, admittedly been mistakes. Because of this, Congress, I believe, must keep a microscopic eye on the program. The purpose would be to:

(1) Weed out unnecessary activities;

(2) Shoot for, and hit, more realistic objectives;

(3) Sharpen up the administrative machinery;

(4) Imbue its administrators with a greater sense of responsibility to the American taxpayer; and

(5) Generally to insure that the program better serves our national interests.

Now, what do we get for our investment in these free world alliances?

In general categories, the following:

Strategically located bases on the periphery of the Communist camp, with free world missiles "zeroed in" on the heart of communism; and

Supplemental defense forces, including millions of men and greater striking power on air, sea, and land.

For example, about 40 percent of the aircraft and 60 percent of the total allied naval strength is supplied by our allies.

In addition to strengthening our defense, also, the program—spending most of the funds right here in this country—creates an estimated half-million jobs for American workers.

The struggle against communism, of course, is not only military. Rather, it is also social, cultural, political and, particularly, economic. Consequently, it has been deemed advisable also to provide economic assistance:

1. To our allies to enable them to (a) serve as a stronger bulwark against Communist expansion, and (b) to better share the cost of free world defense; and

2. To less developed nations. Why? To wipe out breeding grounds of poverty, disease, underprivilege, undernourishment—often the target of Communist infestation.

Until—the standards of mankind are lifted to decent levels (incidentally, per capita income in such countries as India amounts to only about $60 per year); the "gap" between the "haves" and the "have-nots" has diminished or vanished; and there is recognition of human dignity and the right of self-determination of all peoples; there can be no real peace in the world.

NECESSITY OF WESTERN ALLIANCE

Along with other American taxpayers—now heavily burdened—I, naturally, would welcome relief not only from support of the foreign aid program—but also our costly military expenditures.

The facts of life in 1961, however, in my judgment, do not permit a weakening of our defenses or an abrogation of our responsibility as a free world leader.

Why?

First. The Communist bloc—the greatest threat to freedom in history—still strongly adheres to its oft-stated goal of world conquest. Mobilized for this objective, its military, economic, industrial, scientific, and other programs have one target: That of surpassing and burying us—and the free world.

Second. Red manpower—if Communist China is included—in military forces substantially exceeds that the free world.

Third. On the nonmilitary front, the Reds have an estimated 36 million agents operating in about 86 countries. This Red army of conspirators—conducting a global campaign of subversion, sabotage, espionage, represents a threat equal to—if not greater than—the military power of the Communists—if there continues to be an East-West standoff.

COPING WITH THE COMMUNIST MENACE

In our Nation's effort to combat—and cooperate with our allies in combating—communism, Uncle Sam alone cannot be expected to do the whole job.

Instead, we, individually and collectively, must:

First, mobilize to throw the necessary brainpower, manpower, and resources into the battle. Historically, one of the great strengths of America is the voluntary will to fight, sacrifice, and work to build a good life under a free flag, and to protect our country from its enemies.

Second, our civic, veteran, social, cultural, and, yes, religious and other organizations can and should reexamine the potential ways in which they might serve our national cause more effectively.

Third, we need to more greatly utilize the know-how and technology of free enterprise for selling the ideas and ideals of freedom. This includes more effective utilization of businesses overseas as "built-in Voices of America."

Fourth, labor, also, sharing a common bond with workers around the globe—possesses an unparalleled opportunity to demonstrate how workers benefit under a free system, and how free collective bargaining can serve not only the worker but strengthen a nation.

Fifth, the creative minds—artists, writers, poets, musicians, dramatists—have a great opportunity to portray the spirit of a free people in their dedicated, relentless effort to create a better life for themselves and humanity.

CONCLUSION

For security, as well as for domestic progress, however, we will need to maintain a strong, dynamic economy. For this reason, we will depend tremendously upon grassroots cornerstones such as West Allis and upon leadership such as exemplified by the Advancement Association—to give us greater strength in a crisis-threatened world.

Now, I want to again extend my heartfelt congratulations upon your 25th anniversary, a real hallmark of progress. Upon your 50th and 100th anniversaries, I feel confident you will be able to point with pride to a still greater record of star-studded accomplishments.

Nuclear Aircraft

EXTENSION OF REMARKS
OF
HON. MELVIN PRICE
OF ILLINOIS
IN THE HOUSE OF REPRESENTATIVES
Wednesday, September 27, 1961

Mr. PRICE. Mr. Speaker, I am glad to include in the CONGRESSIONAL RECORD, two articles on subjects of deep interest to me. The editorial entitled "How Dead the A-Plane?" which appeared in the July 9, 1961, edition of the Post-Register of Idaho Falls, Idaho, and the fine article on the Rover project entitled "Alert to Trouble Ahead" which appeared in the News-Democrat of Belleville, Ill., on August 7, 1961:

[From the Idaho Falls Post-Register, July 9, 1961]

HOW DEAD THE A-PLANE?

It sounds now like the nostalgic remembrances over a big-willed but decidedly dead horse, but the atomic airplane apparently is not a forgotten issue with some Congressmen.

The AEC appropriation bill approved by the Joint Congressional Committee on Atomic Energy did not contain the cancellation of A-plane funds as did the AEC proposed bill. The AEC, pursuant to President Kennedy's decision, knocked out a $33 million fund which had been poised previously for the A-plane this fiscal year.

It was an obvious attempt by a committee majority to keep the A-plane alive. A majority report of the committee stated significantly:

"The ANP (atomic plane) project has been in progress for approximately 14 years. Approximately $1 billion has been spent on the program. Although the program was plagued by many changes in objectives and vacillations in support, a considerable amount of progress has been made on the solution of the technical problems involved in the use of nuclear power for the propulsion of aircraft. Based upon classified information obtained from the AEC in executive session, the Joint Committee believes that technical progress in the past 2 years was exceptionally gratifying. The status of work on one of the technical approaches was such as to permit design and construction of a full scale nuclear engine for ground tests.

"A number of committee members were disappointed in the cancellation of the project. Their primary concern stemmed from the apparent lack of information on the technical status of the work by those in the executive branch who supplied the information upon which the decision to cancel the project was based."

"One of the technical approaches" referred to in the report was undoubtedly General Electric Co.'s direct cycle engine developed at the Idaho AEC station. As Congressman MELVIN PRICE, of Illinois, pointed out in a recent talk, this approach definitely achieved the criteria which was established for it. Once this was achieved, he points out, however, the program was abruptly canceled and a whole new set of devious criteria laid out.

Congressman PRICE has made a personal mission of the A-plane for many years. His work on behalf of the project has been exhaustive, sometimes fevered. No pork barrel here. It is a dedicated conscientousness for a project in another State.

Judging from the report, Representative PRICE is not alone voice crying in the wilderness. But in the face of the White House decision on this querulous debate, no about-face is an immediate prospect. Could be someday, however, that an A-plane could be resurrected.

[From the Belleville (Ill.) News-Democrat, Aug. 7, 1961]

ALERT TO TROUBLE AHEAD

There is a great deal less skepticism this time that the Russians really put a man into space. In fact, the U.S. Civilian Space Agency readily confirmed the "Vostok Two" project that sent Soviet Maj. Gherman S. Titov orbiting around the earth * * * and conceded that it may be quite awhile before we can duplicate the feat.

Thus the United States suffers a blow to prestige at a time when we ought to be making hay of our own. We are committed to the space race with Russia, but we are trailing and the Russians are increasing the gap.

This event of the weekend focuses especial timeliness to the comments of Representative MELVIN PRICE in the current Atomic Industrial Forum Memo. Congressman PRICE, who represents our own district and is chairman of the Joint Committee on Atomic Energy's Research, Development and Radiation Subcommittee, strongly urges top priority be immediately assigned to our Project Rover nuclear powered rocket program.

He is on sound ground in making this demand, for the need is abundantly clear. Quoting Dr. Krafft Ehricke, one of our Nation's leading space scientists: "The universe is run by nuclear energy. Space will be conquered only by manned nuclear powered vehicles. Planning anything else for the late sixties is, in my opinion, flirting with obsolescence almost from the start."

To which PRICE adds: "The practically limitless sources of energy from nuclear reactions is the foremost reason for its superiority as an energy source. The highly concentrated nature of nuclear fuels dictates their use for the space missions of the future. Chemical rocket engines" in which the Russians are so far ahead of us, "cannot meet our future space requirements. * * * Nuclear energy provides us with leapfrog capability. It is the only reasonable way that I can see for becoming first in space exploration."

Project Rover has been begun finally, but it has taken a long time. Too long. There have been many delays that prevented getting the show on the road and PRICE predicts more pitfalls ahead, unless * * *

He proceeds then to cite chapter, verse and line where trouble is most likely to crop up. And this ardent champion of the atomic powered airplane knows whereof he speaks, for he pushed and guided the A-plane concept successfully * * * until this year, when it was arbitrarily pared out of the military program and shelved by budget cutters.

Conceivably this may be the fate of Project Rover, too, at some future date. Congressman PRICE notes that, vital as it is, "Rover does not have a specific job to do in the first manned mission to the moon which the Government has established as our first major national objective. Consequently, it may well develop that when our overall space program is reviewed sometime in the future for areas where cuts can be made, the budgeteers may take the attitude that since the Rover nuclear rocket has no specific slot to fill in our moon mission, it is not essential at this time. Such a lack of vision could lead us directly to another prestige disaster." This must not happen.

Family Job Has Priority

EXTENSION OF REMARKS
OF
HON. BARRY GOLDWATER
OF ARIZONA
IN THE SENATE OF THE UNITED STATES
Wednesday, September 27, 1961

Mr. GOLDWATER. Mr. President, the Arizona Republic's outstanding feature writer, Mrs. Bernice Jones, recently conducted through the newspaper a unique "working women survey" which attracted widespread interest. The survey, undertaken in August, provided background data used in the Western Regional Conference on Problems of

Working Women, held in Los Angeles on September 8–9 under the sponsorship of the U.S. Department of Labor's Women's Bureau. Mrs. Esther Peterson, Assistant Secretary of Labor and Director of the Women's Bureau, was keynote speaker at the conference.

Results of the survey appeared in the Arizona Republic for September 3, 1961. The newspaper reports that almost 500 women employed in fields ranging from the professional to housemaids responded. The returns came from the entire State with approximately 50 percent from the Phoenix area. Attached to more than one-half of the forms returned were letters expressing opinions and advice about the role of women today in the labor market based on their personal experiences. I ask unanimous consent that this informative article be inserted in the RECORD at this point.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

FAMILY JOB HAS PRIORITY

(By Bernice Jones)

If the women of Arizona are typical of women the world over, the basic role of wife and mother will never become secondary.

But fighting to protect its priority and sanctity under the duress of today's economic and social pressures is exacting a heavy toll.

Among the hundreds of letters sent to Lady Fare in response to the working women survey tabulated at left, over and over again was written, "Home and family must come first."

The home and family do come first. But for those women who must work because the salary they earn is indispensable to the economic well-being of the family, the emotional cost is very great.

Delayed payment? One woman, who is working to pay off heavy bills that her husband's salary is insufficient to cover in addition to ongoing expenses, wrote typically:

"My daughter is not yet 2, and I leave her at a very fine nursery during the day. But I cannot escape a daily feeling of guilt and worry. I wonder if leaving her with someone else while she is so young will cause emotional damage that will create problems in her adult life.

"My only hope is that when she is old enough she will understand."

One answer? Although only a little less than 13 percent of the survey respondents were part-time employees, attached letters clearly revealed that the mother who has managed to find a limited job has managed to have frosted cake and eat it too.

Many of them have found employment at schools, either in offices or cafeterias. Their hours of work coincide with the hours their children are in school. They are home when the husband returns from his work. Dinner is simmering on the stove and only from her more entertaining conversation is he aware of his wife's dual role.

Husbands pay an emotional price too when their wives work, although Lady Fare's survey would indicate that men are beginning to appreciate that a wife's role is vastly different from that enacted in his mother's era.

More than three-quarters of the wives returning our questionnaire reported that husbands did not disapprove of their working. This applied equally to families with small preschool children, as well as in the older age bracket.

In addition, another 6 percent neither approved nor disapproved. Another 9-plus percent accept their wives' working as an unavoidable necessity.

Partnership: In days of old, when the social pattern of our lives was overwhelmingly rural, as opposed to the urban emphasis of today, family units were a production team unto themselves.

Every member had an important role to play in achieving economic security, as well as comfort. It was before the invention of laborsaving devices. Dawn to dusk labors left little time for emotional disturbances of more than minor dimension, except in rare instances.

It would appear that family partnership is returning. But, as with so many things today, it is a new form with so many more complexities that it has taken a decade or two for its members to be comfortable with it.

Earlier maturity: "A working mother must devise a strict schedule if family chaos is to be avoided," wrote a teacher.

"It must be a schedule everyone works out together, with each voluntarily assuming his share of the duties previously taken for granted as being done by the mother.

"For a few months after I returned to work (they had moved to Phoenix from another part of the country and wanted to protect their savings) the children found it difficult not having me there every moment.

"But now they have grown into a wonderful self-reliance and mature independence that is a joy. And we are a more closely knit family than we were before."

A book: To fully report on the depth and variety of the thoughtful letters would fill a book. But to list quickly other aspects of the working woman's life that were revealed in sufficient numbers to assume they are somewhat typical:

Some women feel other women expect too much in the way of salary and considerations when they enter the business world.

The fight for equal pay for women who are doing the same job men do will continue, apparently.

Particularly in relation to women who are the only breadwinner for a family.

"The chief reason given for paying men more is that they have families to support. If this is a basis for setting salary levels, it should apply equally to women in the same position."

Question: Of what use is experience and maturity when a great number of employers evidently refuse to hire a woman past age 35?

Wrote one woman: "This definition I saw long ago in a Florida paper states the problem concisely: 'An executive: a man who desires an attractive secretary 22–28 years of age with 40 years' experience'."

Yet more than 77 percent of our replies came from women over 34 years of age. And 85 percent reported age had been no factor in their employment. There were also a few letters from young women. Their cry: "How do we get the experience employers want when no one will hire us without it?"

Is there a new profession in the offing? The older woman finds it hard to find employment in business. The preferred younger woman is frantic to find efficient, trustworthy help at home to give her children the best care possible.

What of others? A more complete evaluation of Lady Fare's working women survey will be a part of the discussion material at the U.S. Department of Labor's regional conference in Los Angeles Friday and Saturday.

It may or may not find confirmation among the 150 to 200 representatives expected from Arizona, Nevada, and California.

But undoubtedly the statement of one Arizona woman will meet with agreement.

"Women must accept that the end of their business day is not the end of their workday. They must gear to handle the extra load their jobs away from home place on their shoulders with a minimum of wear and tear on themselves and their families."

Because, as Department of Labor statistics reveal, women are necessary to the total work force of the Nation. They are necessary for the stepped-up production that is vital to create the millions of new jobs needed in the Nation's future, says Mrs. Esther Peterson, U.S. Women's Bureau director, who will keynote the Los Angeles conference Friday night.

REPORT TELLS SURVEY RESULTS

(On Sunday, August 6, and again on August 16, Lady Fare carried a survey questionnaire to sample the opinion of its working women readers. Results of the survey will be a part of the U.S. Department of Labor regional conference on working women being held in Los Angeles Friday and Saturday. Below is the tabulation of that response; a cross section view of Arizona's working women.)

1. Is your job full time—part time?

Response: Full time, 87.2 percent; part time, 12.8 percent.

2. What type of work do you do?

Response: Secretarial, 41 percent; teacher, 15.3 percent; clerical, 10.1 percent; bookkeeping and accounting, 8.8 percent; nursing, 5.7 percent; sales, 4.4 percent; managerial, 3.1 percent; services, 3.1 percent; professional, 2.9 percent; skilled labor, 2.2 percent; technician, 2.1 percent; electronics and assembly, 1.3 percent.

3. Please check proper age group.

Response: Under 18, 0; 18 to 34, 22.5 percent; over 34, 77.5 percent.

4. Has your age been any drawback in getting or holding a job?

Response: Yes, 14.7 percent; no, 85.3 percent.

5. Please check your approximate yearly income before taxes.

Response: Under $3,000, 15.4 percent; $3,000 to $3,999, 24.3 percent; $4,000 to $4,999, 32.7 percent; $5,000 to $5,999, 19.1 percent; $7,000 to $9,999, 5.5 percent; $10,000 or over, 3 percent.

6. Why do you work?

Response: Married, add to income, 48.3 percent; single, 14.9 percent; divorced or widowed with dependents, 14.9 percent; personal achievement, 12.3 percent; children's education, 3.8 percent; home improvements, 3.3 percent; pay for home, 2.5 percent.

7. If married, what is your husband's attitude about your working?

Response: Approves, 78.8 percent; disapproves, 5.1 percent; doesn't care, 6.4 percent; disapproves but tolerates, realizes necessity, 9.7 percent.

8. If you have children, in what age bracket are they?

Response: Under 6, 13.4 percent; grade school, 26.2 percent; high school, 26.5 percent; college, 15.6 percent; on their own, 18.3 percent.

9. If under high school age, what arrangements do you have for their care during your working hours?

Response: Nursery, 21.6 percent; relative, 22.5 percent; housekeeper, 27.5 percent; neighbor, 19.6 percent; husband, 8.8 percent.

10. Please feel free to attach separate page with personal comments on your job satisfactions and disappointments, advice to women entering or returning to the work force, problems you have met and solved, needs you feel are common to all working women.

So Shall Ye Be Judged

EXTENSION OF REMARKS

OF

HON. STROM THURMOND

OF SOUTH CAROLINA

IN THE SENATE OF THE UNITED STATES

Wednesday, September 27, 1961

Mr. THURMOND. Mr. President, I ask unanimous consent to have inserted

in the Appendix to the RECORD an article from the September 23 issue of National Review entitled "So Shall Ye Be Judged: What Happened When a Conservative Publisher Found Himself in the Court of a Liberal Judge His Papers Had Often Attacked." This article was written by Messrs. Holmes Alexander and William F. Rickenbacker.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

SO SHALL YE BE JUDGED—WHAT HAPPENED WHEN A CONSERVATIVE PUBLISHER FOUND HIMSELF IN A COURT OF A LIBERAL JUDGE HIS PAPERS HAD OFTEN ATTACKED

(By Holmes Alexander and Wm. F. Rickenbacker)

Since 1946, William Loeb has been publisher of the Manchester (N.H.) Union Leader, which has prospered under an editorial policy that is not only conservative but also witheringly direct and honest. William Loeb fears not the mighty, not even when the mighty happens to be a Federal judge on the First Circuit Court.

Back in 1950, Loeb blasted the Dover group, a collection of prominent Bostonians including Charles Wyzanski, advocating the settlement of the Korean war on the Communists' terms. Not long afterward, Loeb attacked Wyzanski for acting as a character witness for Alger Hiss. In late 1956 and early 1957, Loeb severely criticized Wyzanski, as chairman of the Board of Overseers of Harvard, for permitting J. Robert Oppenheimer to give the William James lectures. And about the same time, Loeb hit Wyzanski again, for running the same act on a different stage: for Oppenheimer spoke at Exeter, of which Wyzanski was then a trustee.

In the autumn of 1957, Loeb was approached with the proposal that he found a competing newspaper in Haverhill, Mass. In the course of time he did establish the paper, but he ran into the organized opposition of 32 New England newspaper barons who banded together to run him out of Haverhill. Loeb filed an antitrust suit. A countersuit under the antitrust laws was filed against him. Before long (March 1959) Loeb found himself in court, facing his old friend Judge Charles Wyzanski.

Wyzanski offered to disqualify himself, saying, "I know there has been some Manchester newspaper which has been in the business of attacking me from time to time, and I don't know whether it is the plaintiff or not. I am quite immune from any bias with respect to it because I don't even read this stuff, but I think I ought to say to you that I know that somebody has been doing it, and maybe it is this plaintiff. If this plaintiff regards me as in any way biased, I wish the plaintiff would say so." (Point in rhetoric: is a man unbiased if he refers to material he hasn't read as "this stuff"?)

Acting with the innate chivalry that is a root of his nature, Loeb grandly declined the judge's offer. The case then proceeded, Wyzanski presiding, until late in 1960. At that point Wyzanski, in connection with another case, undertook a one-man investigation of Massachusetts politics. Issuing regular as well as criminal subpenas, Wyzanski finally caught a big fish: William Callahan, a chairman of the State throughway authority. While Wyzanski was off hunting for evidence of corruption, Loeb's reportorial staff was reminded of an earlier connection between Judge Wyzanski and his present quarry. After considerable research they turned up a story that made banner headlines.

EARLIER HISTORY

Some years earlier, while Callahan had been chairman of the Department of Public Works, the state had seized, exercising the right of eminent domain, some property belonging to Wyzanski and his family. Callahan had got up a board of appraisers and had ruled that landowners could refuse the offer made by the appraisers only by going to court. In practice, anyone actually prepared to go to court received a settlement of about a $1,000 more than the original appraiser's amount, to avoid the cost of litigation. But there was an exception.

Wyzanski, it appears, complained vociferously that the appraisers hadn't offered him enough. A trial date was set, but then before trial, Wyzanski received a settlement of many thousands of dollars more than the original price. Loeb's reporters could find no other case of a large out-of-court settlement. After the story hit the wire service, Wyzanski flew into court and filed with the clerk a detailed memorandum on his land dealings with the man he had recently subpenaed. The case hallooed across the headlines in Boston, and Loeb's paper, of course, ran a whole series of articles on the situation.

By April of 1961, the odor from Wyzanski's court had reached Washington. Majority Leader JOHN MCCORMACK of Massachusetts entered the discussion of Federal judgeships with an interesting anecdote about Wyzanski. "It happens," said MCCORMACK, "that I have a nephew who is attorney general of the Commonwealth of Massachusetts. Not so long ago, a Federal judge in Boston threatened him with contempt of court in the performance of his official duties. I am going to confine myself to this issue alone," said MCCORMACK, "even though there are other instances of Wyzanski's highhandedness. Here is a copy of the Boston Globe of October 19, 1960. It was only 2 weeks before the election—a poor time for any judge to inject himself into the issues of a political campaign—whether he be a Republican or a Democrat. At that time, my nephew was protecting the interests of the cities and towns of the Commonwealth of Massachusetts. This particular judge misconstrued a statement by my nephew and this judge from the bench publicly stated that he might adjudge the attorney general of the Commonwealth of Massachusetts in contempt of court—or words to that effect.

"The judge even went further than that. He even stated from the bench, and I will quote the words directly from the newspaper: 'I am not myself quite aware why the Attorney General of the United States chose to further the ambitions of the attorney general of Massachusetts who is a Democrat.' Can you imagine that? What happened? My nephew and a few other attorneys general representing the attorneys general of the United States some months prior to that had a conference with Assistant Attorney General Bicks. Now let me go a little step further and I will quote from this newspaper article again: 'Any statements issued about this case were no doubt given out for political purposes and whoever issued such a statement may well be in contempt of court.' This is not an isolated case I am talking about."

JUDGE AS POLITICIAN

Congressman BURKE exploded in sympathetic detonation, and described his own victimization at His Honor's hand. "He not only injected himself into the affairs of the attorney general of Massachusetts," said BURKE, "but he also injected himself in the congressional fight in my district, tried to smear my good reputation, and made remarks uncalled for, subjected me to a vitriolic attack, an unfair attack that I could not answer.

"This particular judge, time and time again, has threatened attorneys and members of the Massachusetts bar who had the courage to appear before his court, has threatened them with citations of contempt, has impugned their motives, has besmirched their integrity and honesty; and he has developed such a condition that I would say 85 percent of the attorneys, members of the Massachusetts bar, are fearful to appear in his court. When a judge orders the issuance of a criminal summons 4 days before an election, when all the circumstances called for was the issuance of a regular witness summons, and tries to create the impression in the minds of the people of a Congressman's district that the Congressman was a defendant and not a witness, I say that he has abused his authority, he has violated civil rights, he has violated every decent principle that we can have in our courts; he has violated the code of decency of the court. I question his activities that day; the remarks he made from the bench were entirely uncalled for. If ever a judge was subject to censure, it was this particular judge, because he abused all the privileges of his position, all the authority vested in him by the U.S. Government when he tried to inject himself into that congressional fight.

This judge has acted in the role of a politician trying to influence the electorate by his intemperate and unfair statements from the bench. His activities on the bench are certainly open to question. The Federal bench is no place for a tyrant or a despot. He is ill mannered, discourteous, uncivil, rude, injudicious, and overbearing. He lacks balance."

EMANUEL CELLER, chairman of the House Judiciary Committee, testified as a character witness in reverse: "Often the overrighteous can do much evil. This particular judge is overly righteous. He is bold, he is brilliant, but most arbitrary. He thinks he is the be-all and end-all of wisdom. His views cannot be questioned. He is a sort of a judicial panjandrum and, therefore, never hesitates to act as judge, prosecutor, and jury, all rolled into one. In a trice, he will on occasion convert his court into a U.S. attorney's office, or something not unlike a grand jury. Numerous complaints have reached me as chairman of the Committee on the Judiciary concerning this judge's unusual and untoward conduct."

And CELLER quoted from a decision by the U.S. Court of Appeals in Boston—a decision that amounts to a formal accusation of misconduct on the part of Judge Wyzanski: "Naturally witnesses can and should be required to explain the words they use. It is hardly necessary, however, to do so with ridicule or caustic criticism, or repeatedly to check a witness' use of words in reasonably common use by reference to the Oxford English Dictionary, or to require strict adherence to the rules of grammar. The bench is not an appropriate rostrum from which to teach the niceties of English grammar and usage. While performance by the trial judge of his function, indeed duty, to see that the truth is elicited ordinarily requires clarifying questions from the bench, and maybe on occasion sharp warnings, it is not his function or duty to take the conduct of a case away from counsel."

After being visited with so voluminous a barrage in the CONGRESSIONAL RECORD, Wyzanski came off his high horse—but just for a moment. He asked Attorney General McCormack, the majority leader's nephew, to attend a public hearing concerning some asphalt companies. At the hearing, Wyzanski actually apologized to McCormack for having threatened him with contempt of court. He also said that in view of the hullaballoo (our word: it's not in the judge's O.E.D.) about the asphalt case, he would withdraw from it. But then he went on to express himself in pointed terms about the case of William Loeb from which he announced he would not withdraw.

Loeb's attorneys made a formal motion proposing that Wyzanski withdraw. Wyzanski refused. They went to the Court of Appeals, but the court upheld Wyzanski, principally on the grounds that he only

sounded prejudiced, but wasn't, really. At this moment Loeb is trying to get a stay of process from one of the justices of the Supreme Court.

So here is the great big liberal, Charles Wyzanski, conducting his court with a highhandedness which, if it had been Senator McCarthy doing it in his committee room, would have caused Wyzanski to turn off all the lights of Harvard and say: We've had it, and quietly expire. On top of that, he is determined to judge the man who has now completely exasperated him. "It is just as well that justice is blind," said EMANUEL CELLER in his résumé, "she might not like some of the things done in her name by Judge Wyzanski."

Activities of the Committee on the Judiciary, 87th Congress, 1st Session

EXTENSION OF REMARKS
OF

HON. EMANUEL CELLER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 27, 1961

Mr. CELLER. Mr. Speaker, during the 1st session of the 87th Congress, the Committee on the Judiciary of the House of Representatives had before it a large body of legislation which called for prompt action as well as intensive study. The following record of its activities reveals the significant role played by this committee in the interest of the Nation.

Of the 10,955 bills and resolutions, introduced in the House, a total of 3,721 were referred to the Committee on the Judiciary, or, approximately, 34 percent of all proposals introduced in one form or another. Of these, 1,146 were public bills and 2,575 were private bills. A total of 151 hearings were held; 71 public bills were acted upon favorably, of which 39 have been signed into law; 27 have passed the House and are awaiting action by the Senate; 2 bills are pending in the House; 2 bills are in conference and 1 in the Committee on the Rules; 323 individuals were beneficiaries of private immigration legislation, of which 130 were House bills, 86 Senate bills, 42 House joint resolutions, and 65 Senate concurrent resolutions. The House Committee on the Judiciary acted expeditiously on private claim bills. Out of a total of 548 private claim bills, 89 are pending in the Senate, 58 have been enacted into private law and 36 were disapproved.

Of major national interest are the following legislative proposals enacted into law and upon which this committee placed heavy emphasis:

Public Law 87–36, to provide for the appointment of additional circuit and district judges, and for other purposes. This act created 73 additional judgeships.

Public Law 87–228, to amend title 18, United States Code, to prohibit travel or transportation in commerce in aid of racketeering enterprises.

Public Law 87–216, to amend chapter 50 of title 18, United States Code, with respect to the transmission of bets, wagers, and related information.

Public Law 87–218, to provide means for the Federal Government to combat interstate crime and to assist the States in the enforctment of their criminal laws by prohibiting the interstate transportation of wagering paraphernalia.

Public Law 87–368, to amend section 1073 of title 18, United States Code, the Fugitive Felon Act.

These are a series of crime bills which, when taken together, make for a formidable weapon against organized crime.

The major enactment in the area of immigration and nationality was Public Law 87–301, to permit the entry of certain eligible alien orphans.

Also of major interest was Public Law 87–258, to amend title 28, entitled "Judiciary and Judicial Procedure," of the United States Code to provide for the defense of suits against Federal employees arising out of their operation of motor vehicles in the scope of their employment, and for other purposes.

Public Law 87–225, to provide for reasonable notice of applications to the United States courts of appeals for interlocutory relief against the orders of certain administrative agencies.

Litigants in Federal courts will be benefited by the provisions of this act since instead of a requirement of 5 days' notice which because of its inflexibility has created hardships, a reasonable notice is substituted.

Important compacts between the States:

Public Law 87–162, granting the consent of Congress to the compact or agreement between the States of North Dakota and Minnesota with respect to the boundary between such States.

Public Law 87–115, consenting to the amendment of the compact between the States of Pennsylvania and Ohio relating to Pymatuning Lake.

Public Law 87–50, giving the consent of Congress to a compact between the State of Arizona and the State of Nevada establishing a boundary between those States.

These acts will settle many questions between the compacting States and lay to rest many questions which are before these States in the course of the absence of congressional consent.

Public Law 87–17, to amend Public Law 86–272 relating to State taxation of interstate commerce. State taxation on interstate commerce has become a most vexatious problem. Public Law 86–272 was too limited in scope to permit a thorough airing of the problem. Consequently, this act enlarges the scope of the inquiry. Both consuming States and manufacturing States are agreed that enlarging the scope of the inquiry and the very inquiry itself is one of the major accomplishments of this Congress.

Public Law 87–306, to amend section 1362 of title 18 of the United States Code so as to further protect the internal security of the United States by providing penalties for malicious damage to certain communications facilities.

Since the internal security of the United States is dependent upon secure, positive and instantaneous communications, it is understandable that this act is of major interest to the country. It strengthens the criminal law against willful or malicious interference with or destruction of any communication facility used or intended to be used for military or civil defense functions of the United States. If the communications system fails, it is apparent that all of the billions for armaments, for missiles, and for bombers would be in vain.

Public Law 87–324, to amend the act of September 2, 1958, establishing a Commission and Advisory Committee on International Rules of Judicial Procedure, as amended.

This act extends the life of the Commission and Advisory Committee on International Rules of Judicial Procedure until December 31, 1963. The Commission is to investigate and study existing practices of judicial assistance and cooperation between the United States and foreign countries with a view to achieving improvements. Thus, the attention of the Commission is directed to the improvement of procedures which involve the performance of acts in foreign territory, the obtaining of evidence, the proof of foreign law, and the service of judicial documents, among other things.

Public Law 87–336, to amend section 5021 of title 18, United States Code—Youth Corrections Act.

Presently a youth offender who has been committed or incarcerated, is entitled upon discharge to have his conviction set aside. A youth offender who is not committed, however, and who, instead, is placed on probation by the court, is not entitled to this benefit. The instant bill will now make available to a youth offender who is placed on probation the same benefits that a youth offender receives who has been committed to a correctional institution .

Also significant are the following: Public Law 87–338, to amend section 35 of title 18, United States Code—imparting or conveying false information. Public Law 87–366, to amend sections 1 and 3 of the Foreign Agents Registration Act of 1938, as amended. Public Law 87–371, to amend title 18 of the United States Code to prohibit the counterfeiting of State obligations in certain cases, and for other purposes. Public Law 87–369, to repeal section 791 of title 18 of the United States Code so as to extend the application of chapter 37 of title 18, relating to espionage and censorship, and Public Law 87–331, to amend the antitrust laws to authorize leagues of professional football, baseball, basketball, and hockey teams to enter into certain television contracts, and for other purposes.

The results of the work of the committee members and the staff have been most gratifying and I, as chairman, am indeed grateful for the cooperation and the willingness to devote long working hours in the fulfillment of the responsibilities placed upon them. A detailed analysis of each subcommittee's work follows:

SUBCOMMITTEE NO. 1: GENERAL JURISDICTION OVER JUDICIARY BILLS AS ASSIGNED—SPECIAL JURISDICTION OVER IMMIGRATION AND NATIONALITY

In the field of immigration and nationality, Subcommittee No. 1 has acted on the following bills:

S. 2237 contains certain amendments to the Immigration and Nationality Act, incorporates into that act certain provisions of existing law for the purpose of codification and provides legislation designed to facilitate the unification of families of U.S. citizens and permanent resident aliens. This bill; as initially passed by the Senate, extended until July 1, 1963, the orphan provisions as contained in section 4 of Public Law 85–316, as amended, which had expired on June 30, 1961. The House committee deleted the Senate language and substituted language which would incorporate and codify into permanent law, with modifications, the provisions of several successive, temporary enactments facilitating the immigration of alien orphans adopted by or to be adopted by U.S. citizens. The amendment authorizes the issuance of special nonquota immigrant visas to "eligible orphans" under 14 years of age who, prior to the institution or during pendency of adoption proceedings abroad, had been seen and observed by the adoptive parents, or to orphans who have been selected abroad and would be coming to the United States for adoption in accordance with applicable State statutes. Provision is made for the issuance of nonquota immigrant visas to eligible orphans if a visa petition filed in behalf of such eligible orphan was approved by the Attorney General prior to September 30, 1961, or was pending prior to that date and is subsequently approved.

The bill also includes provisions relating to judicial review of orders of deportation and exclusion of aliens entered by the Attorney General. These provisions are identical with H.R. 187 which passed the House July 10, 1961.

Additional amendments eliminate the existing requirement that a visa applicant state in his application his race and ethnic origin; accord veterans of the Korean hostilities the same naturalization privileges as existing law accords veterans of World War I and World War II; remove the existing 2,000 quota ceiling imposed on the "Asia-Pacific Triangle"; assure any new political entities immigration quotas equal to the total of quotas or subquotas presently established for each of the component parts which comprise the new entity; correct abuses resorted to by aliens who desire to obtain preferential status by contracting fraudulent marriages; require all petitions for naturalization filed after the enactment of the Immigration and Nationality Act (December 24, 1952) be heard and determined in accordance with the requirements of that act; restore to existing law illegality in procurement of naturalization as a ground for revocation of naturalization; set up rules of evidence under which the burden of proof to establish loss of citizenship by preponderance of the evidence would rest with the Government—the presumption of voluntariness under the proposed rules of evidence would be rebuttable, similarly, by preponderance of the evidence; provide for inclusion of the spouse or child of a naturalized U.S. citizen within the exemption from loss of citizenship granted such citizen who has attained the age of 60 years and who has resided abroad for not less than 10 years and is in bona fide retirement from a designated type of occupation; and, eliminate from the excluding clause of existing law tuberculosis and leprosy and provides for the exclusion of aliens who are afflicated with any dangerous contagious disease.

Four sections of the bill codify existing law applicable to the granting of waivers of certain excluding provisions of the Immigration and Nationality Act and consolidate with the basic statute provisions contained in separate enactments: to wit, section 4 of the act of September 3, 1954, and section 5, 6, and 7 of the act of September 11, 1957.

The bill also provides that the beneficiaries of second and third preference petitions filed prior to July 1, 1961, shall be accorded nonquota status. This provision is designed to expedite the reunification of families of U.S. citizens and immigrants admitted for permanent residence. This bill was enacted into law on September 26, 1961 (Public Law 87–301).

H.R. 8291, as amended, reenacts three provisions of the Mutual Security Act of 1954, authorizing U.S. participation in, or operation by the United States, respectively, of existing programs of assistance to certain migrants and refugee-escapees, and authorizes the appropriation of funds for such programs. The bill also authorizes the appropriation of funds to assist certain refugees from the Western Hemisphere who fled to the United States for fear of persecution (such assistance having been hitherto rendered by using the President's contingency funds for the benefit of refugees from Cuba). This bill passed the House on September 12, 1961. It passed the Senate and is now in conference.

H.R. 187 creates a single, separate, statutory form of judicial review of administrative orders for the deportation and exclusion of aliens from the United States. Aliens may seek judicial review of an order of deportation by filing a petition in the U.S. Circuit Court of Appeals, orders of exclusion to be reviewed exclusively by writs of habeas corpus. Such orders shall not be reviewed until all administrative remedies have been exhausted. The bill provides for trial de novo of substantial claims to American nationality by persons who have been ordered deported.

This bill passed the House July 10, 1961. Identical provisions are included in S. 2237, as amended, which was enacted into law September 26, 1961 (Public Law 87–301).

Under the general jurisdiction of Subcommittee No. 1, the following bills were considered:

House Joint Resolution 225 grants the consent of the Congress to an interstate-Federal compact that will create a regional governmental commission to administer comprehensibly the water resources of the Delaware River Basin. Parties to the compact are the Federal Government and the States of Pennsylvania, New York, New Jersey, and Delaware. This resolution was enacted into law September 27, 1961 (Public Law 87–328).

H.R. 2730 extends the application of chapter 37 of title 18 United States Code, relating to espionage and censorship, to acts committed anywhere in the world by repealing section 791 of that title. That section now provides that the provisions of chapter 37 which apply only within the admiralty and maritime jurisdiction of the United States, on the high seas, and within the United States. This bill was enacted into law in 1961 (Public Law 87–369).

H.R. 176, as amended, provides for the representation of the U.S. Court of Customs and Patent Appeals on the Judicial Conference of the United States. Additionally, the bill amends section 605 of title 28, United States Code, by eliminating the special budgetary position, thus placing the Court of Customs and Patent Appeals on the same level as other U.S. courts which are represented on the Judicial Conference. This bill was enacted into law September 19, 1961 (Public Law 87–253).

H.R. 8490 amends the act of September 2, 1958, establishing a Commission and Advisory Committee on International Rules of Judicial Procedure, as amended (Public Law 85–906 amended by Public Law 86–287) by extending the life of the Commission for an additional 2 years to December 31, 1963, thus, providing a reasonable period for the completion of the Commission's projected program. The bill was enacted into law September 26, 1961 (Public Law 87–324).

Public hearings were held by Subcommittee No. 1 on the Delaware River Basin Compact (H.J. Res. 225), the proposed Migration and Refugee Assistance Act (H.R. 8291) and on the several bills relating to the mailing of obscene matter.

The extent of the work of this subcommittee in the area of private legislation is set forth in the following table:

Private bills

House bills:	
Private laws	130
Pending in Senate	26
On Private Calendar	1
Incorporated in House joint resolution or other bills which became private law	42
Tabled	295
Tabled because Senate companion bills passed in lieu	14
Pending in committee	1,342
Total	1,850
Senate bills:	
Private laws	86
Passed House amended	2
On Private Calendar	2
Tabled	28
Pending in committee	51
Total	169
House joint resolutions:	
Private laws	2
Pending in committee	1
Total	3

Total private laws: 218.

One Senate concurrent resolution was approved. It included the names of 29 applicants for suspension of deportation under the provisions of section 244(a)(5) of the Immigration and Nationality Act; 19 applicants for suspension of deportation under the provisions of section 19(c) of the Immigration Act of 1917, as amended; 14 applicants for adjustment of status under the provisions of section 6 of the Refugee Relief Act of 1953, as amended; and 3 applicants for adjustment of status under the provisions of section 4 of the Displaced Persons Act of 1948, as amended.

SUBCOMMITTEE NO. 2: GENERAL JURISDICTION OVER JUDICIARY BILLS AS ASSIGNED—SPECIAL JURISDICTION OVER CLAIMS

In the 1st session of the 87th Congress, the subcommittee held 35 meetings, and conducted hearings on 22 days. These covered public as well as private claims measures.

The subcommittee considered H.R. 2883 and a group of similar bills relating to the problem of personal liability of Government drivers. H.R. 2883 making the remedy provided in the Federal tort claims provisions of title 28 of the United States Code the exclusive remedy in cases arising out of the operation of Government vehicles was favorably reported, passed both Houses and became Public Law 87–258.

The subcommittee conducted a hearing on House Joint Resolution 91 and several similar joint resolutions proposing an amendment to the Constitution to provide for the continuity of membership in the House of Representatives in the event of disaster. House Joint Resolution 91 was favorably reported to the full committee. H.R. 298, providing for the recovery of the cost of medical or hospital care extended by the United States, from negligent third parties was also favorably recommended to the full committee at the close of the session.

Three bills concerning compensation systems administered by the United States which were favorably considered by the subcommittee passed both Houses and became law during the session. H.R. 7358 which became Public Law 87–317, extended the provisions for compensation found in section 4126 of title 18 to Federal prisoners injured

while working in the maintenance or operation of the institution in which confined. S. 935, enacted as Public Law 87–234, authorized the filing and consideration of certain National Guard claims under the Federal Employees' Compensation Act. The compensation payable under the War Hazards Compensation Act was increased by 15 percent by the enactment of H.R. 4357 as Public Law 87–380.

H.R. 1777 providing for the amendment of title 18 to bar the transportation of fraudulent State tax stamps or the equipment to make them in interstate or foreign commerce became Public Law 87–371. H.R. 3227 permitting the introduction of photographic reproductions of business records held in custodial or fiduciary capacities was enacted as Public Law 87–183.

Two bills referred to the subcommittee provided for relief from liability for groups of service personnel who were paid money under circumstances where the payments were subsequently ruled to have been erroneous. H.R. 6244 provided relief to servicemen who had received family separation allowances under a regulation subsequently ruled to be invalid. That bill became Public Law 87–207. Another bill, H.R. 7099, validating certain per diem allowances paid to Coast Guard personnel assigned to construct loran stations in foreign countries, was reported and passed the House but was not acted upon in the Senate.

A bill, H.R. 4131, extending authority to the Comptroller General to waive indebtedness for erroneous payments to Government personnel was the subject of a hearing and was reported to the House in the form recommended by the subcommittee. The bill passed the House in that form.

H.R. 6533, validating payments of compensation to Government employees under an erroneous interpretation of a remedial employees' pay law, was favorably considered, reported, and passed the House.

H.R. 4528 provided for the relief of persons harmed as the result of the negotiation of forged or fraudulent Government checks issued at the Parks Air Force Base, Calif. The bill passed the House but was not acted upon in the Senate.

A number of bills granting relief to States or political subdivisions within States were considered by the subcommittee. Among the bills recommended favorably was S. 1942 compensating the State of New Hampshire for amounts it paid as the result of the crash of a National Guard jet aircraft on a training mission. That bill became Public Law 87. H.R. 74, reimbursing the city of New York for expense incurred in rehabilitating a ferry slip for Army use, was reported and passed the House. A bill, H.R. 4917, authorizing the payment of half of the cost to Albany County, N.Y., in leasing Civil Defense communications equipment, was favorably considered and ultimately was enacted as Public Law 87–335. A bill concerning flood-damage payments to Hood County, Tex., H.R. 4360, was reported and passed the House.

Three bills concerning problems faced by school boards in connection with the Federal Government were recommended by the subcommittee and were reported to the House. H.R. 1627, concerning the Princess Anne County School Board, Virginia, provided for the payment of an amount to be fixed by the Court of Claims in return for the conveyance of the Oceana Public School property, the use of which was prejudiced by aircraft operations. H.R. 1627 was approved as Public Law 87–251. A similar bill, H.R. 6759, for the relief of the Prince Georges County School Board, Maryland, and relating to a school near Andrews Air Force Base, was reported by the full committee to the House. H.R. 6103, authorizing the refund of $1,500 paid as rent by the Stella Reorganized Schools, Missouri, for the use of a barracks after its school burned, was reported and passed the House.

H.R. 8958, which became Public Law 87–393, granted the Secretary of the Air Force the authority to settle claims arising out of the crash of an Air Force aircraft at Midwest City, Okla., without regard to the $5,000 limitation provided in section 2733 of title 10 of the United States Code.

Three joint resolutions recognizing centennial observances during 1962 were favorably considered by the subcommittee. House Joint Resolution 435 concerning the centennial of the Department of Agriculture became Public Law 87–161. House Joint Resolution 436 recognizing the centennial of the establishment of the national system of land-grant colleges and universities became Public Law 87–163. Senate Joint Resolution 98 providing for the observation of the centennial of the enactment of the Homestead Act became Public Law 87–272.

The subcommittee favorably considered H.R. 8741 embodying the recommendation of the General Services Administration that existing law permitting the waiver by the armed services secretaries of payment or performance bonds in connection with cost type or supply contracts be extended to all Federal agencies in a uniform manner. The bill was reported and passed the House.

H.R. 310 extending limited authority for the settlement of certain claims arising from activities of members or employees of the military services outside the scope of their duties was also reported and passed the House.

The following tabulation indicates the workload of this subcommittee in connection with claims against the Government:

Referred to subcommittee:	
Private, House bills	521
Private, House joint resolutions	2
Private, House resolutions	7
Private, Senate bills	18
Total	548
Public, House bills	52
Public, House joint resolutions	8
Public, House resolutions	9
Public, Senate bills	2
Public, Senate joint resolutions	1
Total	72
Grand total	620
Approved by subcommittee:	
Private, House bills	149
Private, House resolutions	3
Private, Senate bills	10
Total	162
Public, House bills	23
Public, House joint resolutions	3
Public, Senate bills	2
Public, Senate joint resolutions	1
Total	29
Grand total	191
Adversely reported by subcommittee:	
Private, House bills	36
Private, House joint resolution	1
Private, Senate bills	2
Public, House bills	10
Public, House joint resolution	1
Total	50
Reported to House:	
Private, House bills	146
Private, House resolutions	3
Private, Senate bills	10
Total	159
Reported to House:	
Public, House bills	20
Public, House joint resolutions	2
Public, Senate bills	2
Public, Senate joint resolution	1
Total	25
Grand total	184
Passed House:	
Private, House bills	141
Private, House resolutions	3
Private, Senate bills	8
Total	152
Public, House bills	19
Public, House joint resolutions	2
Public, Senate bills	2
Public, Senate joint resolution	1
Total	24
Grand total	176
Pending in Senate:	
Private, House bills	89
Public, House bills	7
Total	96
Public laws enacted	14
Private laws enacted	58
Bills vetoed, private	3
Sent 3 private claims bills of the House to the Court of Claims by House resolutions.	
Private claims settled administratively (tentative)	4

SUBCOMMITTEE NO. 3: GENERAL JURISDICTION OVER JUDICIARY BILLS AS ASSIGNED—SPECIAL JURISDICTION OVER PATENTS, TRADEMARKS, COPYRIGHTS, AND REVISION OF THE LAWS

The jurisdiction of this subcommittee falls generally into three categories, namely, (a) general legislation, (b) patents, trademarks and copyrights, and (c) revision of the laws. In all 115 bills were referred for subcommittee action. At the end of this statement is a table showing the disposition which the subcommittee and in many instances the full committee and the Congress has made of this legislation. There follows a general discussion of the legislation touching the highlights of the subcommittee's program in this first session of the 87th Congress.

GENERAL LEGISLATION

As part of the subcommittee's program to study decisions of the U.S. Supreme Court for the purpose of introducing legislation where needed, the subcommittee favorably considered and the House approved H.R. 3247, to clarify the meaning of the term "organize" as it is used in the Smith Act. This bill is the result of *Yates* v. *United States* (354 U.S. 298), which involved the question of whether 14 known Communists had violated certain sections of our internal security laws in conspiring to overthrow the U.S. Government by force and violence and in organizing groups for the same purpose. The term "organize" has been rewritten so as to encompass not only the initial act of organizing but also the continuous process of recruiting new members, regrouping, and expanding existing organizations.

The Foreign Agents Registration Act was also the subject of a bill processed by the subcommittee. Today, while agents of foreign principals must register under the Foreign Agents Registration Act, they need do so, under certain circumstances, only when the agents are "subsidized" by their foreign principals. H.R. 470, which became Public Law 87–366, expands the act so as to require agents, irrespective of whether they are subsidized, to register with the Department of

Justice if their foreign governments or foreign political parties exercise control or supervision over their policies and activities.

Another bill which became public law, H.R. 6834, relates to the imparting of false bomb information. This new act makes it a misdemeanor knowingly (but without malice) to impart or convey false bomb information, and further makes it a felony to convey such false information willfully and maliciously, or with a reckless disregard for human life.

In 1956 Congress enacted the Automatic Payment of Judgments Act, which materially reduced the administrative and legislative burdens both of the executive departments and of the Congress, by authorizing the automatic payment of judgments handed down by the Federal courts. This act has proven successful. As a result, a bill, H.R. 6835, was introduced to provide a corresponding simplification for the payment of judgments of State and foreign courts as well as the payment of compromise settlements in like causes. This bill has become Public Law 87–187.

Legislation on which the subcommittee expended considerable time and effort proposed enlarging the membership of the House of Representatives. The subcommittee considered some 21 bills, which would have increased the House membership variously from 437 Members to 469 Members. In addition to hearings there were several executive sessions in which the subcommittee as well as the full committee considered and reconsidered various aspects of the legislation. As of the end of this session, however, the full committee had taken unfavorable action on one of the bills, and the subcommittee has indefinitely postponed action on the remainder of the bills.

Several other general bills were processed by the subcommittee and became law. They are, H.R. 5343, permitting the courts to set aside the convictions of youthful offenders (Public Law 87–336), and H.R. 5656, providing for reasonable notice, instead of the present requirement of 5 days' notice, on applications to U.S. Courts of Appeal for interlocutory relief against the orders of certain administrative agencies (Public Law 87–225). In addition, others have passed the House and are pending in the Senate. They are H.R. 75, requiring the U.S. Supreme Court to treat appeals improperly taken from federal circuit courts as petitions for certiorari; and H.R. 2041, permitting the sale of stream-clogging water hyacinths in those areas where climates are such that the plants are unable to survive winter weather.

Interstate compact bills were also the subject of consideration by the subcommittee. Three of these compacts became public law. They are S. 133—Arizona-Nevada boundary compact (Public Law 87–50). H.R. 7454, the Pennsylvania-Ohio compact relating to Pymatuning Lake (Public Law 87–115), and H.R. 7189, North Dakota-Minnesota boundary compact (87–162). Other compacts considered or being considered by the subcommittee are H.R. 6243, authorizing Guam to enter into certain interstate compacts for the enforcement of criminal laws and policies, H.R. 7498, granting the consent of the Congress to the southern interstate nuclear compact, H.R. 6717, authorizing the district courts to entertain cases involving pollution of interstate river systems, and S. 464, authorizing interstate compacts for the development and operation of library facilities and services.

Other bills of significance studied by the subcommittee in this session are H.R. 3, dealing with Federal preemption of State statutes, and H.R. 3248, providing for the admission of certain evidence in court (Mallory case). This latter bill has been favorably reported to the full committee. Also referred to the subcommittee for its consideration is H.R. 3093, to eliminate the abuse of the use of habeas corpus by State prisoners.

PATENTS, TRADEMARKS, AND COPYRIGHTS

H.R. 4333, which substantially affects the trademark laws, was favorably considered by the subcommittee, passed the House, and is now pending in the Senate. The provisions of this bill affect details of registration, administrative and court procedure, and the internal organization of the Patent Office regarding trademark matters.

The subcommittee processed H.R. 5754, to carry into effect a provision of the convention of Paris for the Protection of Industrial Property (Patents and Trademarks). The provisions of the convention are not self-executing and the instant bill, which became Public Law 87–333, amends Federal law to give effect to the convention to conform our Federal statutes to the applicable provisions of the convention.

Another bill enacted into law is House Joint Resolution 499 (Public Law 87–292), authorizing the Secretary of Commerce and others to make suitable arrangements for the observance of American Patent System Week, which has been designated by President Kennedy to be the week of October 15, 1961.

Pending in the subcommittee is H.R. 6354, a bill providing penalties for the counterfeiting of phonograph records. Also pending is H.R. 70, popularly referred to as the jukebox bill, which would require operators to pay royalties to songwriters for the public performance of their works on records in jukeboxes.

The subcommittee held extensive hearings on H.R. 5487, which would permit patent holders to bring civil actions against Government contractors who infringe their patents while carrying out Government contracts. A number of other bills also being considered by the subcommittee concern overall Government patent policy regarding Government contracts.

The staff of the subcommittee has been working with the Copyright Office in connection with the revision of the copyright law. The committee recently published a report of the Register of Copyrights in this connection. This report contains the tentative recommendations of the Copyright Office. It has been issued by the committee for the purpose of inviting all persons concerned to submit comments and suggestions, which will be carefully considered in the next session of Congress, when the task of drafting a general revision bill is taken up.

The subcommittee has pending a bill to raise certain fees in the Patent and Trademark Offices (H.R. 7731). Similar legislation has been favorably considered in the 84th, 85th, and 86th Congresses. The only new feature in the present legislation which distinguishes it from its predecessors is a provision for maintenance fees, sometimes referred to as renewal fees. This type of fee would be an innovation in our patent law, in that these fees would be required to be paid at certain intervals during the life of a patent in order to keep it in force.

REVISION OF THE LAWS

Classification of laws to United States Code and the District of Columbia Code

The primary aspect of the subcommittee's functions regarding the revision of the laws is the classification of the public laws to the United States Code and the District of Columbia Code. During this 1st session of the 87th Congress there will have been enacted more than 400 public laws, comprising about 1,000 pages in the Statutes at Large. These have been reviewed, or will be reviewed during the recess, to determine their appropriate classification to the respective code. When the classification is completed these laws will be incorporated in cumulative supplements to the codes and it is hoped that printer's copy will be furnished to the Government Printing Office starting in early November 1961.

The laws of a general and permanent nature enacted at the 2d session of the 86th Congress were classified and incorporated in the second supplement of the United States Code, 1958 edition, which consisted of two volumes containing more than 800 pages and was the first time in the history of the United States Code that a supplement for one Congress required two volumes. This supplement became available in April 1961.

New edition of District of Columbia Code

The work of preparing the new edition of the District of Columbia Code has been completed and the first volume will be available this month. This edition consolidates the laws contained in supplement VIII with the laws contained in the 1951 edition, involving the voluminous editorial and manuscript work. Editorial notes have been enlarged and other improvements made. The new edition comprises three volumes and contains all the general and permanent laws relating to the District of Columbia in force at the beginning of the 87th Congress. The code is completely annotated and contains notes of decisions by the U.S. Supreme Court, the courts of appeals and the district courts, as well as the municipal court of appeals.

Enactment of titles into law

In continuing its program of making the codes more useful the subcommittee has devoted its attention to the preparation of bills to enact particular titles into law. Inasmuch as Public Law 86–682, enacting into law title 39 of the United States Code, contains the laws only up to March 1959, it was necessary to introduce a cleanup bill incorporating the postal laws enacted since that time. The bill (H.R. 173) was introduced early at this session. Also a bill to bring up to date titles 10 and 32 of the United States Code (H.R. 2597) has been introduced.

For several years the law revision staff of the subcommittee has been collaborating closely with the General Counsel's office of the Civil Service Commission in the preparation of a bill to enact into law title 5, relating to the executive departments and employees generally. A bill (H.R. 8748) was introduced in the 86th Congress and the subcommittee has received many suggestions with respect to the bill in response to its request addressed to all the executive departments and regulatory agencies. As a result a new bill is being prepared and it is hoped that it will be ready for introduction early in the next session.

Similarly, the staff has been cooperating closely with the office of the General Counsel of the Department of Defense in the preparation of a bill to enact into law title 37 of the United States Code, "Pay and Allowances of the Uniform Services." A bill (H.R. 6700) was introduced early in the 87th Congress.

The subcommittee has extended to the District of Columbia Code its program of improving the codes, and a bill (H.R. 8857) was introduced last Congress to enact into law Part II of the District of Columbia Code, Judiciary and Judicial Procedure, comprising titles 12–17. The staff has had numerous conferences with representatives of the courts and the bar association and many suggestions received will be incorporated in a new bill to be introduced in the next session.

Panama Canal Zone Code

During the 86th Congress, the Governor of the Panama Canal Zone appointed the committee's law revision counsel as an adviser on the preparation of a new Canal Zone Code. The present code was enacted in 1934 and has not been kept up to date by a subsequent amendment. The committee's law revision counsel attended several meetings of the advisory committee and a bill (H.R. 7468) has been introduced. The bill has

been referred to this committee and when reports are received from the departments, it is expected that it will be reported favorably to the House.

During the recess the work on this bill and the other bills mentioned will be pursued with the view of obtaining favorable action early in the next session.

Bills referred, 115.
Bills on which hearings were held, 37.
Bills reported favorably to full committee, 18.
Bills reported adversely to full committee, 11.
Bills pending in subcommittee, 87.
Bills reported to House, 16.
Bills passed House, 16.
Bills pending in House, none.
Bills pending in Senate, 6.
Bills which became law, 10.

SUBCOMMITTEE NO. 4: GENERAL JURISDICTION OVER JUDICIARY BILLS AS ASSIGNED—SPECIAL JURISDICTION OVER BANKRUPTCY AND REORGANIZATION

In the exercise of its special jurisdiction over bankruptcy and reorganization the subcommittee considered a number of diverse measures. Three of these passed the House and are awaiting action in the Senate Committee on the Judiciary. They are: H.R. 1961, H.R. 4473, and H.R. 7405.

H.R. 1961 is a complex piece of legislation directed at clarifying the status of liens in bankruptcy and clearly defining the powers of the trustee. A predecessor bill, H.R. 7242, passed both Houses in the 86th Congress but was not approved by the President. In considering H.R. 1961 this year the subcommittee once again endeavored to meet the objections raised by the Treasury Department in respect to the treatment of the Federal tax lien. A number of substantive amendments which had been suggested by Treasury were incorporated in the bill. The bill was also modified to take into account the recent action of the Supreme Court in *Lewis* v. *Manufacturers National Bank* which eliminated the need for certain provisions of the bill.

The subcommittee also favorably reported H.R. 4473. This bill is identical to H.R. 2236 which passed the House in the 86th Congress but was not acted upon in the Senate. The bill places a 3-year limitation on the priority and the nondischargeability of taxes. The House once again passed the bill and it is now before the Senate Committee on the Judiciary.

During the last two Congresses the subcommittee acted upon a large number of bills effecting relatively minor procedural changes in the Bankruptcy Act. In other proceedings in the Federal courts, these matters would probably have been dealt with by order of the Supreme Court. However, the Supreme Court does not have the power in respect to bankruptcy to issue rules superseding existing law which it has in other types of proceedings. This bill would give the Court the same power in respect to rules in bankruptcy that it now has in civil procedure, admiralty, criminal procedure prior to and including verdict, and review of decisions of the Tax Court. This bill has passed the House and is also before the Senate Committee on the Judiciary.

Ten years after the enactment of the Chandler Act in 1938 a review of its operation was made and legislation was enacted to remedy various inaccuracies, ambiguities, or other minor imperfections. With the passing of a second decade, a second decennial review was undertaken and those measures which were considered necessary and noncontroversial were embodied in H.R. 5393. The subcommittee considered this bill and recommended a number of amendments to it. The bill is now before the House.

In addition to the bankruptcy legislation already discussed, the subcommittee also held hearings on H.R. 5341, a bill providing for comprehensive changes in the tenure, salary, and terms for retirement of referees in bankruptcy. No action, however, was taken on this bill.

The subcommitee had referred to it a number of bills within the general jurisdiction of the Committee on the Judiciary.

Five of these bills have now passed the House. They cover matter ranging from the Federal slug law to problems of jurisdiction and venue in actions against Government officials. The bills which have passed the House are as follows:

H.R. 1960. This bill makes it possible to bring actions against Government officials and agencies in U.S. district courts outside the District of Columbia, which, because of certain existing limitations on jurisdiction and venue, may now be brought only in the U.S. District Court for the District of Columbia.

H.R. 6691. This bill provides criminal penalties against those who threaten the Vice President-elect or such other officer as may be next in the order of succession to the Office of President. The bill also gives authority to the Secret Service, which it does not now have, to provide protection for the Vice President, the Vice President-elect and a former President.

H.R. 8038. The purpose of this bill is to broaden the Federal criminal law dealing with the manufacture and sale of slugs and similar devices. It extends Federal jurisdiction to the use of slugs and other devices in machines which are to be operated by U.S. money.

H.J. Res. 358. Designed to make people more aware of the dangers of accidental poisoning, this bill authorizes and requests the President to issue a proclamation designating the 3d week in March of each year as National Poison Prevention Week.

S. 1990. As a result of the bombing of certain communication facilities, Congress was called upon by a number of Members to strengthen the Federal criminal laws in this area. The subcommittee held hearings on such legislation and reported out a bill which had already passed the Senate. This bill strengthens the criminal law against willful or malicious interference with or destruction of communication facilities used or intended to be used for military and civil defense functions of the United States.

During this session the subcommittee also held hearings on a number of other bills including House Concurrent Resolution 125, House Joint Resolution 475, and H.R. 8519.

House Concurrent Resolution 125 would designate a President's Day. No action was taken on this bill. House Joint Resolution 475 would create a "U.S. Constitution 175th Anniversary Commission," and would authorize the appropriation of $500,000 for its activities. This bill ordered unfavorably reported to the committee but was subsequently rereferred to subcommittee. H.R. 8519 is designed to strengthen the Federal law in respect to the hijacking of aircraft and similar deeds. Legislation dealing with this problem was acted upon by the Committee on Interstate and Foreign Commerce and became law. No further action has been taken by the subcommittee on this bill.

A statistical summary of the work of the subcommittee during the first session of the 87th Congress follows:

Number of bills referred to Subcommittee No. 4: 63.

Number of bills on which hearings were held: 17.

Number of bills reported to full committee: 12.

Number of bills on which reports were filed: 9.

Number of public bills passed House: 8.

Number of public bills pending in Senate: 6.

Number of Senate bills disposed of: 1.

Number of bills approved by President: 2.

SUBCOMMITTEE NO. 5: GENERAL JURISDICTION OVER JUDICIARY BILLS AS ASSIGNED—SPECIAL JURISDICTION OVER ANTITRUST MATTERS

This subcommittee exercises jurisdiction over a variety of subjects, including such topics as civil rights, the Federal judicial system, criminal statutes, and particular jurisdiction over antitrust matters.

During the 1st session of the 87th Congress, this subcommittee had referred to it 382 legislative proposals. Twenty-seven days were spent in conducting hearings before this subcommittee.

Among the legislative proposals enacted into law was the bill providing for 73 additional new Federal judges. This bill, which became Public Law 87-36, provided for the appointment of 63 new U.S. district judges and 10 new positions on the U.S. courts of appeal. In addition, this law created two new judicial divisions, one in the western district of Louisiana and a second in the eastern district of Arkansas. It also authorized new places of holding court in various judicial districts throughout the United States. In the consideration of this legislation the subcommittee considered approximately 40-odd bills dealing with new judgeships, new places of holding court, new divisions, and new districts.

Another major consideration by this subcommittee was the Attorney General's program for legislation against organized crime. After extensive hearings at which representatives of Federal and State law enforcement authorities, as well as representatives of bar associations, testified, there was enacted into law Public Law 87-228, which prohibits travel or transportation in commerce in aid of racketeering enterprises. Also Public Law 87-218, prohibiting the interstate transportation of wagering paraphernalia, and Public Law 87-216, which prohibits the transmission of bets, wagers, and related information by wire communication facility. Also enacted into law was the legislative proposal which broadened the scope of the Fugitive Felon Act by repealing the specific crimes contained in that statute and inserting the broad language to cover all felonies or high misdemeanors as defined by the law of the State wherein the crime was committed. This proposal became Public Law 87-368.

This subcommittee processed and recommended favorably reported what is now Public Law 87-189, which eliminates the right of appeal from the Supreme Court of Puerto Rico to the Court of Appeals for the First Judicial Circuit. Thus, appeals from the Supreme Court of Puerto Rico will now go directly to the Supreme Court of the United States. Another legislative proposal relating to Puerto Rico which the subcommittee processed was H.R. 6902. Under this proposal, the judges of the U.S. District Court for Puerto Rico would hereafter receive life tenure instead of the limited term they now have. This bill passed the House and was pending in the Senate at the close of the first session of the Congress.

The subcommittee processed the legislation which is now Public Law 87-253 which provides for representation on the Judicial Conference of the United States for the U.S. Court of Customs and Patent Appeals. Another legislative proposal enacted into law was H.R. 7259 which became Public Law 87-337, whereby the ban of section 142 of title 28 of the United States Code was waived with relationship to the newly created Lafayette Division in the western district of Louisiana. The enactment of this legislation would permit the General Services Administration to plan permanent Federal court facilities at Lafayette, La.

The subcommittee also reported the bill, H.R. 6242, which would have authorized the Attorney General to fix the salaries of attorneys in the Department of Justice. However, that proposal failed of passage in the House.

Another proposal reported by the subcommittee which was pending before the Rules Committee at the close of the first session was the bill, H.R. 6496, which would have extended the power of the Civil Rights Commission to investigate all types of fraud in voting and also extend the life of the Commission for an additional 2 years.

The subcommittee also considered the bill, H.R. 5255, to clarify the status of circuit and district judges who have retired from regular active service. This bill passed the House. It passed the Senate, amended, and at the close of the first session of the Congress was pending in conference.

Another bill which was pending in the Senate at the close of the session was the bill, H.R. 7037, which the committee reported. This bill is designed to cure important defects in the present venue statutes with particular coverage as to criminal offenses not committed in any district.

Another important proposal which the subcommittee considered and reported favorably to the full committee in an amended version was the bill, H.R. 2696, which would provide for legal representation for indigent defendants in criminal cases in the Federal courts. This proposal was pending before the full committee at the close of this session of Congress.

Another proposal which the subcommittee processed and which passed the House and was pending in the Senate at the end of the first session was H.R. 6690. This bill provided for the inclusion of a district judge or judges on the judicial council of each circuit.

LEGISLATIVE

Thirty-two bills were assigned to the Antitrust Subcommittee during the 1st session of the 87th Congress. The subcommittee considered 17 of these bills during 15 days of public hearings. One bill, H.R. 9096, involving telecasts of professional league sports contests, was enacted into law, becoming Public Law 87-331 upon approval by the President on September 30, 1961. Another bill, H.R. 8140, dealing with bribery, graft, and conflicts of interest in the Federal service, was passed by the House and is pending in the Senate. A third bill, H.R. 71, to prevent manufacturers of motor vehicles from financing or insuring the sale of their products, was ordered reported to the full Committee on the Judiciary, subject to action on a pending motion to reconsider.

Sports telecasts

On August 28, 1961 the subcommittee held a hearing on H.R. 8757, a bill to amend the antitrust laws to authorize leagues of professional football, baseball, basketball, and hockey teams to enter into certain television contracts, and for other purposes. After study, the subcommittee ordered a clean bill, H.R. 9096, to be reported. As amended by the Committee on the Judiciary and enacted, H.R. 9096 enables the member clubs of a professional football, baseball, basketball or hockey league to pool their separate rights in the sponsored telecasting of their games and permits the league to sell the resulting package of pooled rights without violating the antitrust laws. At the same time, the bill provides that the antitrust exemption shall not apply to any such package sale which permits the impairment of college football gate receipts through network telecasts of professional football contests at times when college games are scheduled to be played. The bill further withholds the antitrust exemption from agreements which prohibit the purchaser of league television rights from televising any game within any area except the home territory of a member club on a day when that club is playing a home game. H.R. 9096 became Public Law 87-331 on September 30, 1961.

Conflicts of interest

On June 1 and 2, 1961 the subcommittee held hearings on a number of bills (H.R. 302, H.R. 3050, H.R. 3411, H.R. 3412, and H.R. 7139) designed to implement and strengthen the criminal laws relating to bribery, graft, and conflict of interest in Federal employment. These hearings marked the culmination of more than 3 years of study by the subcommittee initiated by a staff study and a comprehensive staff report on Federal conflict-of-interest legislation issued in 1958, and including 10 days of hearings on conflict-of-interest bills during 1960. The subcommittee ordered a clean bill, H.R. 8140, reported to the Committee on the Judiciary. As amended by the committee and passed by the House, H.R. 8140 would strengthen, revise and simplify existing Federal conflict-of-interest laws; would make appropriate general provisions for consultants and temporary employees in the executive branch of the Government, and would integrate these conflict-of-interest laws with recodified prohibitions of bribery and graft. The bill is pending in the Senate.

Auto financing and insurance

On June 7, 8, 9, 28, 29, and 30, 1961, the subcommittee held hearings on H.R. 71, a bill to supplement the antitrust laws by preventing manufacturers of motor vehicles from financing and insuring the sales of their products. This bill is aimed at correcting what has been described as a monopolistic tendency in the automobile industry and a similar tendency in the businesses of financing and insuring automobile purchases, which contravene the national antitrust policy against monopoly and monopoly power. The subcommittee ordered H.R. 71 reported to the Committee on the Judiciary with an amendment that would limit its applicability to passenger automobiles, including stationwagons. A motion to reconsider this action remains pending.

Premerger notification

On April 27 and 28 and May 3 and 4, 1961, the subcommittee held hearings on four identical bills (H.R. 2882, H.R. 3563, H.R. 6058, and H.R. 6698), to amend the Clayton Act, as amended by the Celler-Kefauver Antimerger Act of 1950, by requiring prior notification of important corporate mergers and acquisitions and by authorizing the Federal Trade Commission to seek preliminary court injunctions against mergers of doubtful legality. The antitrust enforcement agencies have indicated that such legislation would enable them to be informed of mergers not publicly announced in time to determine whether to seek a preliminary injunction, and thus avoid the problems inherent in unscrambling the effects of corporate mergers entered into in violation of the Celler-Kefauver Act. These premerger notification bills are similar in major respects to H.R. 9424, which was adopted by the House unanimously in the 84th Congress and are identical with H.R. 2143 as reported by the Committee on the Judiciary in the 85th Congress.

Civil investigative demand

On August 23, 1961, the subcommittee held a public hearing on H.R. 6689, a bill to authorize the Attorney General to compel the production of documentary evidence required in civil investigations for the enforcement of the antitrust laws. The bill is recommended by the Department of Justice to cover situations in which suspected violators and others refuse to cooperate with the Department of Justice and where the Department believes that a grand jury investigation is not warranted. S. 167, a bill identical with H.R. 6689, was passed by the Senate in amended form and is before the subcommittee for consideration. In the 86th Congress a similar bill passed the Senate.

Functional discounts

On August 30, 1961, the subcommittee held a hearing on three identical bills (H.R. 3465, H.R. 4151, and H.R. 4529) to reaffirm the policy and purpose and clarify the intent and meaning of the Robinson-Patman Anti-price Discrimination Act (15 U.S.C. 13) by providing for mandatory functional discounts in certain circumstances. The bills would add a new proviso to section 2(a) of the Clayton Act, as amended by the Robinson-Patman Act. This proviso would require a manufacturing seller who restricts his direct sales to members of a particular functional class or classes to impose reasonable price differentials based on whether the customer purchases for resale to wholesalers or to consumers. The purpose of this requirement is to enable a wholesaler's customer to compete with like firms which purchase directly from the seller. These functional discount requirements would not, however, be imposed upon the seller willing to accommodate all would-be purchasers without regard to their size or function in the distributive process. Hearings on similar proposals were held by the subcommittee in July 1958, and again in June 1959.

INVESTIGATIVE

In the period elapsing since adjournment of the 86th Congress, the subcommittee conducted three sets of investigative hearings, and also received reports from Federal agencies concerning the steps they have taken to carry out the recommendations contained in the subcommittee's reports on investigations conducted in earlier years.

Port of New York Authority

On November 28, 29, and 30 and December 1 and 2, 1960, after final adjournment of the 86th Congress, the subcommittee conducted preliminary hearings dealing with the activities and operations of the Port of New York Authority. This investigation had its origin when, in March 1960, at the request of the New Jersey congressional delegation, the staff of the subcommittee was directed to make a study of those activities and operations, including a review of the scope of the authoritys' major operations.

The Port of New York Authority is an interstate, regional development authority established under compacts between the States of New York and New Jersey in 1921 and 1922 for the purpose of dealing with the planning and development of terminal and transportation facilities and improving the commerce of the port district. Operations of the authority exercise a farflung influence on interstate commerce, yielding tax-exempt revenues in excess of $100 million annually from tunnels, bridges, terminals, airports, and shops, all valued at more than $900 million.

Notwithstanding the clear responsibilities of Congress in relation to the Port of New York Authority, for the 40 years of the port authority's life there has been no thoroughgoing congressional review of its activities.

Finally, it has been alleged that in the period of 40 years since its establishment, the overall operations of the port authority have at no time been subjected to a comprehensive overall audit by any governmental agency.

At the November-December 1960 hearings the subcommittee examined into these and other matters to determine whether legislation is needed with respect to congressional consent to the interstate compacts creating the port authority.

The reason why these hearings were preliminary only is that the subcommittee had been materially hampered in the pursuit of its inquiry by noncooperative conduct on the part of certain officials of the port authority. These officials have refused to make available to the subcommittee many documents and records of the port authority whose examination is essential to enable Congress to

determine whether additional legislation with respect to the Port of New York Authority compacts is necessary. The facts concerning this conduct were by three separate contempt resolutions (Nos. 2117, 2120, and 2121) adopted by the House of Representatives in the 86th Congress, certified to the U.S. attorney for the District of Columbia for appropriate action under law.

Because of this behavior on the part of port authority officials, the subcommittee, in the exercise of its responsibility to inquire into the activities and operations of the port authority, was required to examine files and records of a considerable number of enterprises doing business with the port authority, and at great effort, to piece together information that would otherwise have been available in the port authority documents requested by, but withheld from, the subcommittee. There remain important areas in which, as the result of the position taken by the port authority officials in withholding records of the agency, the subcommittee has been wholly prevented from carrying out its legislative responsibilities.

Within the limitations imposed on the investigation by this failure of the port authority to cooperate, the subcommittee in these preliminary hearings inquired into a number of important matters, including the allegations that have been previously mentioned. A significant result of these preliminary hearings is that they confirmed the judgment of the subcommittee in insisting on compliance with its demand for the production of internal documents and in refusing to accept documents that were already of public record and oral testimony as a substitute.

Meanwhile, on November 25, 1960, an information was filed against Mr. Austin J. Tobin, executive director of the port authority, for violation of section 192 of title 2 of the United States Code.

In January 1961, this information came on for trial in the U.S. District Court for the District of Columbia before Judge Luther Youngdahl, sitting without a jury. On June 15, 1961, the court rendered its decision, finding the defendant guilty as charged. In his opinion, Judge Youngdahl sustained the subcommittee's right to demand production of the disputed documents and wholly validated the subcommitee's procedure. The conviction has been appealed and much time can yet be expected to elapse before a final judgment. Meanwhile the subcommittee's investigation is being suspended until a final judicial determination is made on the subcommittee's power and authority.

Ocean shipping

On March 7, 8, 9, 10, 15, and 16, 1961, the subcommittee conducted further hearings on antitrust problems in the ocean freight industry, supplementing 5 weeks of hearings previously held by the subcommittee in the fall of 1959 and in May 1960, in the course of which extensive testimony was received from officials of the Federal Maritime Board, representatives of steamship lines engaged in the foreign commerce of the United States, conference chairmen, and others.

In this investigation, the subcommittee's purpose has been to ascertain inasmuch detail as limitations of time and staff permit, first, the competitive practices of the ocean shipping industry in light of the requirements of the Shipping Act of 1916 and of the antitrust laws, and, second, the nature and adequacy of regulation and the enforcement of pertinent statutory provisions by the Federal Maritime Board and the Department of Justice.

The ocean freight inquiry began with a staff examination of hundreds of thousands of documents in the files of some 53 ocean freight conferences, and 9 American-flag and 4 foreign-flag steamship lines. The ensuing hearings disclosed that ocean carriers engaged in the foreign commerce of the United States have conducted their operations in gross disregard of the requirements of the Shipping Act of 1916 and of the Federal antitrust statutes. They further disclosed that the Federal Maritime Board had, for at least the preceding 12 years, been guilty of incredible neglect in carrying out the responsibilities delegated to it by the Congress under the Shipping Act of 1916. The subcommittee has examined in detail, the operations of a number of Federal regulatory agencies in connection with its overall study of monopoly problems in regulated industries. In this frame of reference the record of regulatory neglect by the Federal Maritime Board is unparalleled.

Furthermore, the industry's disregard of statutory requirements, coupled with Federal Maritime Board indifference to wholesale violations of the shipping laws, have necessarily injured the foreign commerce of the United States, have caused American consumers to pay more for imported goods, and have been detrimental to American manufacturers and exporters.

As a result of the 1959 hearings, the subcommittee referred to the Federal Maritime Board 127 instances of possible violations of the Shipping Act. It also referred numerous other possible violations to the Department of Justice. These referrals included 44 secret gentlemen's agreements restricting or destroying competition; 34 instances of discriminatory practices in apparent violation of sections 16 and 17 of the Shipping Act; 44 violations of conference agreements, rules, and regulations; 57 possible violations of the antitrust laws; and 7 possible violations of other criminal statutes.

At the subcommittee's hearings in May 1960 there were disclosed 29 additional unlawful gentlemen's agreements, and 21 additional instances of unlawful discriminatory practices. Still further apparent violations of law were referred to the enforcement agencies as a result of the 1961 hearings. It should be noted that these disclosures resulted from scrutiny of the records of only a relatively small portion of all ocean freight carriers and conferences.

On the basis of the subcommittee's hearings the Attorney General has embarked upon a sweeping grand jury investigation of steamship industry practices. Preliminary litigation, seeking to quash subpenas issued by that grand jury and served on more than 150 concerns, was terminated favorably to the Government in June 1960 and the investigations are underway.

The Federal Maritime Board, in response to the subcommittee's referral of possible violations, has instituted a number of important investigative and rulemaking proceedings, a number of which involve unfiled agreements whose filing with, and approval by, the Board are required by section 15 of the Shipping Act. Failure to file such agreements is a particularly serious offense because, as the Alexander committee report of 1914 made clear, the premise of the Shipping Act is that Government supervision and regulation of anticompetitive agreements is essential to compensate for the exemption of such agreements from the antitrust laws. Thus, when an anticompetitive agreement is not filed with the Board for approval, or is concealed from Board scrutiny, the violation strikes at the very heart of the Shipping Act. In recognition of the gravity of this matter, Congress prescribed a penalty of $1,000 a day for each day of violation. Beyond this, failure to file anticompetitive agreements between ocean carriers engaged in the foreign commerce of the United States subjects those participating in such schemes to the criminal and civil sanctions of the Sherman Antitrust Act and other Federal antitrust enactments.

The 1961 hearings involved the practices of certain additional foreign-flag carriers and steamship conferences. The subcommittee also heard testimony from several noncarrier groups that asked to be heard. Further, it received testimony from the Federal Maritime Board and the Department of Justice concerning action they had taken with respect to the matters referred to them by the subcommittee. A representative of the Comptroller General of the United States testified concerning action he had taken on matters referred to him by the subcommittee involving overcharges on Government-financed shipments of bulk cargo amounting to more than $300,000. Also, the subcommittee heard testimony concerning the establishment of so-called neutral bodies to supervise and police the operation of conference agreements.

Not unrelated to the disclosures of the subcommittee's inquiry into antitrust problems in the ocean freight industry is the formulation and the recent approval by Congress of the President's Reorganization Plan No. 7. Heretofore, the functions of promoting and subsidizing the merchant fleet and the function of regulation, including enforcement of the Shipping Act, have been combined in a single agency, the Federal Maritime Board, to the almost total neglect of regulation. Under Reorganization Plan No. 7, enforcement and regulatory functions will be the exclusive province of a new Federal Maritime Commission, an independent agency. Subsidies and other promotional functions will be in a Maritime Administrator, a Presidential appointee, in the Department of Commerce and under direction of the Secretary of Commerce. It is to be hoped that this reorganization will enable separate, independent enforcement of the shipping laws.

Note should also be taken of recent amendments of the Shipping Act which impose salutary limitations upon the kind of dual-rate contracts which shipping conferences may utilize and require advance filing of tariffs to which carriers are required to adhere. The subcommittee participated in the early drafting of these amendments.

The 1961 hearings by no means mark the end of the subcommittee's investigation or of its interest and involvement in the vital antitrust problems affecting the ocean freight industry. The subcommittee will not only obtain periodic reports from the Federal Maritime Board and the Department of Justice, but will take further testimony, when appropriate, from their officials. It is essential in the public interest that effective action be taken by these agencies to correct the deplorable situation which has been revealed by this subcommittee's hearings. The type of regulation which has in the past characterized the ocean shipping industry cannot be permitted to continue.

Nearing completion and publication is a comprehensive report of the Antitrust Subcommittee containing a summary and analysis of its lengthy hearings and its detailed legislative recommendations for dealing with ocean shipping problems, for strengthening the competitive provisions of the Shipping Act and related laws, and for establishing an effective regulatory system.

Consent decrees and the television broadcasting industry

It is the policy of the Antitrust Subcommittee to maintain continuing scrutiny of matters previously the subject of investigation and hearings. In accordance with that policy, the subcommittee held public hearings on June 14 and 15, 1961, to obtain current and specific information from the Department of Justice and from the Federal Communications Commission concerning actions taken by these agencies in respect of the various recommendations contained in the subcommittee's report on the consent degree program of the Department of Justice, issued on May 25, 1959, and on its

report on the television broadcasting industry, issued on March 13, 1957.

At these hearings the Assistant Attorney General in charge of the Antitrust Division of the Department of Justice and the Chairman of the Federal Communications Commission appeared, presented testimony, and were interrogated. A highlight of the testimony presented by the Assistant Attorney General at these hearings was the announcement that an urgent recommendation of the subcommittee's consent decree report would be carried out. In its consent decree report, the subcommittee recommended that "revision of the current antitrust consent decree procedures utilized by the Department of Justice is essential" and that such revision "should provide notice to the public of the terms of the consent decree, and establish a waiting period after there has been agreement between the Government and the defendant." Such procedures, the subcommittee pointed out, would assure competitors of the defendants a greater participation in the preparation of the terms of a consent decree than is now provided by the sporadic discussions which the Department of Justice on occasion initiates." In his testimony, the Assistant Attorney General informed the subcommittee that procedures were about to be promulgated by the Department "dealing with the matter of permitting affected parties an opportunity to present their views prior to the actual entry of a proposed consent decree." On June 29, 1961, the Attorney General announced the adoption of such a procedure.

The Chairman of the Federal Communications Commission testified in detail and at length concerning studies and investigations under way by that agency with respect to recommendations made by the subcommittee.

Space satellite communications system

As part of the June 14–15 hearings, the subcommittee inquired concerning the progress of the program for development of a satellite communications system, a problem of fundamental national importance. It developed at the hearings, and subsequently, that the Federal Communications intended that the space communications system was to be owned and operated by a group of 10 "international carriers." This would have meant that only four concerns would participate in the system's ownership since the other six companies in this group professed no interest whatsoever in space communications. More important, it would have meant that one of these four companies, A.T. & T., would have had a dominant and very probably a monopoly position in ownership of the space communications system. In effect, A.T. & T. would have been the chosen instrument of the U.S. Government to own and control civilian space communications.

PUBLICATIONS

Reports: "Bribery, Graft, and Conflict of Interest," House Report No. 748, July 20, 1961; "Telecasting of Professional Sports Contests," House Report No. 1178, September 13, 1961.

Hearings: Port of New York Authority, serial No. 24, parts 1 and 2, 1960; Federal conflict of interest legislation, serial No. 3, 1961; premerger notification, serial No. 5, 1961; antitrust consent decrees and the television broadcasting industry, serial No. 6, 1961; auto financing legislation, serial No. 11, parts 1 and 2, 1961; telecasting of professional sports contests, serial No. 13, 1961; civil investigative demand, serial No. 14, 1961; monopoly problems in regulated industries—ocean freight industry, serial No. 20, part 3, volumes 1 and 2, 1961.

A statistical summary of the work of the subcommittee during the 1st session of the 87th Congress follows:

Number of bills referred to subcommittee No. 5: 382.

Number of bills on which hearings were held: 80.

Number of bills reported to full committee: 73.

Number of bills pending in subcommittee: 309.

Number of bills on which reports were filed: 19.

Number of public bills passed House: 14.

Number of public bills pending in Senate: 4.

Number of Senate bills disposed of: 5.

Number of bills approved by President: 9.

Number of bills pending in conference: 1.

SPECIAL SUBCOMMITTEE ON STATE TAXATION OF INTERSTATE COMMERCE

Public Law 86–272 requires the Committee on the Judiciary to make full and complete studies of all matters pertaining to taxation by the States of income derived from interstate commerce. In April of this year Public Law 86–272 was amended by Public Law 87–17 to broaden the scope of this study to encompass State taxation of interstate commerce generally. The responsibility for this task was delegated to a special subcommittee of which Representative EDWIN E. WILLIS, Democrat, of Louisiana, was designated chairman.

In order to obtain the advice and assistance of recognized experts in this field, a 10-man advisory group was appointed. The group was composed of tax lawyers, professors of both law and economics, and State tax officials.

The subcommittee, upon recommendation of its advisory group, has instructed the staff to concentrate first upon the problems of State taxation of the income of corporations engaged in mercantile and manufacturing business in interstate commerce. The following is a synopsis of the work in which the staff is now engaged:

1. Review of the operation and effect of Public Law 86–272.

2. Analysis and classification of complaints received concerning the existing system of State taxation of interstate commerce.

3. Comprehensive study of literature in this field and of proposals previously offered.

4. Survey of business to ascertain the extent and the factual situation in respect to compliance costs and multiple burdens.

5. Detailed analysis of the prevailing patterns of State taxation of interstate commerce.

6. Compilation of basic economic data necessary to estimate the revenue impact of whatever proposals the subcommittee may, at a later date, deem worthy of consideration.

In addition to the staff work outlined above, Prof. Ernest Brown, of the Harvard Law School, and chairman of the advisory group, has undertaken for the subcommittee a study of the constitutional law in this area, including the extent of Congress power to legislate.

It should be noted that, although both business and the courts have frequently appealed to Congress for action in this field, the work now being done by the special subcommittee represents the first time in our history that Congress has fully undertaken its responsibility in this important and complex area.

Rosh Hashana Service

EXTENSION OF REMARKS

OF

HON. HERMAN TOLL

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 27, 1961

Mr. TOLL. Mr. Speaker, on Sunday evening, September 10, I returned to Philadelphia to attend services at my synagogue, the Congregation Temple Judea. Rabbi Meir Lasker, the senior rabbi of the congregation, delivered an extraordinary sermon. It is so timely and so full of helpful advice that I am offering the text of the sermon for the CONGRESSIONAL RECORD.

I am confident that my colleagues recognize the enormous value of the work which is being done by the clergymen of our Nation in their efforts to improve conditions and to enrich the lives of our people:

ROSH HASHANA SERVICE

(By Rabbi Meir Lasker)

Friends, when I was a student at the Hebrew Union College, I had the delightful experience of listening to Dr. Rosenau of Baltimore, one of the humblest and sweetest personalities in the American Rabbinate. He lectured to us on the contents of a sermon. And he emphasized the thought that on Rosh Hashana morning he always touched on family matters and family problems for, he added, "the Jewish family is the basis of our religious life and our existence."

This thought can well be applied to the Torah portion of this morning. Abraham, the father, at the behest of the Lord, sets forth with his son Isaac to offer him as a sacrifice to God. Suddenly an angel appears with the cry, "Al Tishlach Yodicho El Ha-Nar"—Do not stretch forth thy hand against the lad and do him no evil. To me, the focal point in this whole story is not the fact that a father was so devout that he was willing to sacrifice his child to God, nor even the tradition of the divine intervention which forbade this supreme act. To me, the high point of this episode is in the words, "Vayelchu Shenaihem Yachov." They went together. Abraham and Isaac walked together. Father and son talked together. Parents and child found a common ground of understanding. "Vayelchu Shenaihem Yachov."

Now you know that it is not often that we can say this today, "Vayelchu Shenaihem Yachov" that parent and child walk together. If we are sincere and honest, we will have to admit that there is very little understanding today between parents and children. I know that both you and I can find innumerable reasons to explain this situation. Many essays and many sociologists have tried to explain it. The standards of society are in a state of flux. Few of us are today certain just what is right and what is wrong. The morals of society are undergoing a radical change. Home life and family life is changing and we are confused. The social and scientific approach has caused us to question the divinity of the Commandments "Thou shalt or thou shalt not" and the Bible is no longer the authoritative source of our morals. Our young people have accepted the new and radical views of a Bertrand Russell, a Philip Wylie and the older generation has been unable to break away from the traditions of the past. And so there is a certain misunderstanding that divides us—a sense of guilt and frustration that annoys us—and we no longer walk together.

In the tradition of the past, most of us were raised on faith. We were taught to have faith in a divine providence; faith that there was an all-seeing eye, an ear that hears, and that if we prayed sincerely and fervently our prayers would somehow be answered.

The generation of today which includes most of our young people, believe that fate not faith controls their lives. Whatever happens is not part of divine direction or divine control, it is simply a matter of chance. Perhaps the wars, in which so many died by chance and were wounded by chance may have brought this belief to the fore-

front. Few of our young people believe that they can control what life thrusts in their way. The average individual feels "It's a matter of Mazel—just luck; life is a hit or miss situation."

I am sure that many a modern Jew would be surprised to learn that Judaism accepts the idea that fate operates in our lives. Our sages stated, " HaKol B'Ydai Shomayim." There is much that is preordained, but there is also room for free will. Fate does play a role—a vital and important role in our lives, but it does not control all of life. And it is this point that is important.

Fate arranges the innumerable genes in such a manner that our physical bodies and our nature is predetermined even before birth. Fate decides to place us in a certain family—we have no choice in this. We do not select our parents. Fate also places us in a certain home environment. But now let us ask how many of us appreciate the heritage that fate has given to us. How many of us employ to the utmost the physical, intellectual, and spiritual powers that fate have given to us?

Here is where faith takes over. I speak now specifically to the younger generation, the teenagers, and the college youth. Your parents have faith in you, do not doubt it. Because of this faith and because of their experience in living, they have throughout the years strived to inculcate into your hearts and conscience certain ideals and certain values. They want you to understand that the so-called new and bizarre is not always the best. Immorality is not new, despite the many books that today directly and indirectly advocate it. It is old, ancient, and it was practiced thousands of years ago by the most primitive of peoples. Anyone acquainted with anthropological and sociological studies knows that. Lack of self-control, lack of discipline is not new, it is as old as man on this earth; selfishness and skepticism is not new, it existed before society was organized. What, then, is new—and what is sane? The standards of discipline by which the individual controls his emotions—that is new. Family life is new, family sanctity is new, true love between one man and one woman is new.

Because of the tensions you live under, because of the passions aroused by sex books, sex movies, cheap television programs, the values, the traditions, the ideals that enriched the lives of your fathers and forefathers have been rejected. That is not necessarily wrong. But what is wrong is that you have not built up new bulwarks for yourselves, and without them you cannot live a healthy, creative life.

We, your parents, do not expect you to live our lives, or even to accept as sacred all our traditions. We realize that some of our standards are outmoded. We fully understand that just as there are new frontiers in science, so there must come new frontiers in our social life. But social changes come slowly. Despite the fact that the automobile has today become the living room for young people, and the drive-in movie and parking place, the courting area, we, your parents, have done little to change the situation. In this we are at fault. But, at the same time, remember society still has accepted standards and violation of these standards not only leads to loss of respect and dignity, but often endangers your future happiness. And so I plead with both parents and young people—here is a problem, face it together, have faith in each other; work out some reasonable way of life, for only as you talk together, plan together, will you be able to remain together as an understanding family. I believe this is important for us to remember on this day, the New Year, for this is a period of remembrance.

There is yet another area in life where fate must walk hand in hand with faith. I speak of marriage. An interesting Talmudic legend relates that a Roman lady asked one of the sages, "How does God occupy Himself after the act of creativity in 6 days?" The sage explained, "The Good Lord spends his time arranging marriages." In short, He is a Divine Shadchan. For to arrange a successful marriage is as difficult a problem as the splitting of the Red Sea.

Like every rabbi and minister, many young people stand before me to be wed. And there are times when I ask myself, "Is that God's work or the Devil's—is there any real chance for happiness between these two individuals?"

Now we know that fate plays a role in this. No one can logically explain why two young people, out of the hundreds they encounter, are drawn to each other. And who has not at times marveled at the strange circumstances which brought a specific man and a particular woman to the decision to join life together. But let us realize that although fate brought them together—it is faith that must keep them together. Faith in each other, faith in the dreams that each couple has at first to build a happy future; faith that the sacrifices and compromises which each is compelled to make will be appreciated by the other.

A marriage, to be successful, must be worked at day in, day out. It cannot go along in some haphazard manner. If two people are to walk together, talk together, raise a family together, they must understand each other. There must be faith that kindness, sympathy, sensitivity will pay off in a happy marriage in which both will walk, hand in hand, through the years, finding increasing blessings, as with dedication, they meet the new responsibilities that arise. And there is yet a third area where fate calls on faith for help; namely, in our selection of careers.

When I entered the Hebrew Union College there were 20 in my class—only 8 graduated as rabbis. Now it is true that almost all of us went through the process of "weltschmerz." We doubted ourselves, we felt frustrated, fearful. All of us had misgivings whether the rabbinate was in reality our field. Because of this, many dropped out, only to regret it years later. Now some circumstance, some experience, some random event—in other words, fate propelled us to turn toward the rabbinate. But fate could not satisfy us, we needed faith—faith in our inner resources—faith in the importance of our work—faith to go on.

To you, young people confronted soon with the problem of selecting your careers, let me say, some incident will propel you into a certain highway of life and some force will help you select your life's work—have faith in it.

Life is often brutal. At times your faith will be shaken—there will be moments of doubt, of uncertainty. But if you hold to your faith in yourselves, in the work you do, if you give to your career the best of your mental, physical, and spiritual abilities, you will find therein happiness. For happiness comes not at the beginning but at the end. After you have overcome disappointments and frustrations and carried on, then happiness will come.

This day of Rosh Hashana, my friends, is a day of soul-searching. Have we given ourselves wholeheartedly to what we have undertaken? Do we recognize our shortcomings? Can we recharge our hearts and souls with a determination to do better? Remember—fate in each case opens the door, but it is faith that makes life more meaningful.

Now, if you will agree with me that faith plays a vital role in the relationship of parents and children, husbands and wives, and in the careers we select, perhaps you will also agree that faith plays a vital role in our acknowledgment that God is interested in human life.

Now, I know the skepticism that exists. I know that some will say like Job, "Life treats all of us pretty much the same" whether we have faith or not; whether we believe in God or not—all human beings undergo pain, heartache, suffering—so what is beneficial in believing?

In all honesty, I must admit that belief in God, devotion to religion, does not grant man immunity from the blows which rain down upon us. Religious faith is not a guarantee against human trouble. Fate does treat us alike.

But Judaism teaches us that faith in God helps man to live with his heartache without being crushed. It gives us strength to rebound when knocked down by our sorrows. It gives us courage to rise again. It helps us to become stronger in character, more perceptive, and more sensitive human beings. For a man of faith is not alone in this world. He is at one with his fellowman. He is a copartner with God and he feels that through his work he is helping to bring to fulfillment God's plan on earth. Such a faith makes life, yea, even the tragedies of life—a challenge. With such a faith we can, as the Bible states, "Vayelchu Shenlaihem Yachov" walk with man, walk with God, and feel that our life has purpose and is worthwhile.

I pray, therefore, that faith be granted to you all—faith in yourselves, your God, your work, so that the new year kindle in your hearts the determination to make your life richer and better in the forthcoming future.

Kewaunee Army Reserve Center Dedication

EXTENSION OF REMARKS

OF

HON. ALEXANDER WILEY

OF WISCONSIN

IN THE SENATE OF THE UNITED STATES

Wednesday, September 27, 1961

Mr. WILEY. Mr. President, with one world crisis followed by another, it is important, I believe, that we demonstrate our determination to defend ourselves and our homeland in case of aggression.

I was recently privileged to participate in the dedication of a new U.S. Army Reserve Center in Kewaunee, Wis. This new military structure is a significant forward step in our national efforts to be well trained and well equipped. Patriotic Wisconsinites have never shirked their duty to their country. I ask unanimous consent to have my speech printed in the Appendix of the RECORD.

Their being no objection, the speech was ordered to be printed in the RECORD, as follows:

In these war-threatened times, the dedication of this new U.S. Army Reserve Center, here in Kewaunee, represents a significant and symbolic forward stride toward strengthening our national defenses.

The Nation, in my judgment, owes a special vote of thanks to you dedicated, defense-minded soldiers of freedom, who represent a mighty reservoir of manpower and defense; reflect the spirit of dedication to our national defense necessary to guard the ramparts of freedom; and stand at the ready to serve our country's call to colors.

Here in Wisconsin, we have experienced such a call. The President's mobilization—along with other units—of Wisconsin's famed 32d Division headquarters in Milwaukee;

380th Military Intelligence Platoon, headquartered in Madison; 410th Signal Construction Co., headquartered in Stevens Point; and 322d Chemical Depot Co., headquartered in Baraboo represents the seriousness of the world situation; a step toward further strengthening the U.S. defenses; and a real-life demonstration of how Wisconsin patriots stand ready to serve their country.

The dedication of this Reserve Center as well as the callup of these defense units represents efforts multiplied manifold all over the Nation to provide a stronger defense.

Now, I would like to discuss with you major aspects of our mutual security picture. To assure you that I shall not march off on the wrong foot, let me frankly say this:

I am a legislator—not an expert on national defense—althought this, sometimes, is a prevalent attitude among my coworkers.

As a Senator, I am, of course, required to vote "yes" or "no" on legislation to provide the necessary manpower, material, equipment, and weapons for our security forces. To accomplish this, we need, of course, a degree of knowledge on our military capabilities. Let's face it, however; we must depend upon you, the experts, for the bulk of the detailed decisions on defense.

In the 1962 budget, the Congress approved an unprecedented $48 billion for defense.

With these funds, the Nation, we hope will be provided adequate manpower; and equipment and striking power for a strong jet-missile-nuclear-space deterrent against attack.

In addition to the general strengthening of our defense forces special efforts are being made to:

Improve our missile deterrent strength by special emphasis upon hidden, moving, or invulnerable delivery systems. These include acceleration of our program for building of the Polaris submarine force; accelerating the building of the solid-fuel Minuteman missile, air-to-ground, and other missiles such as the Skybolt.

Better protecting the amount of our existing bomber forces for a nuclear deterrent by increasing our ground and airborne alert capacities, and installing bomb alarm detectors and signals at key warning and communications points and all SAC bases.

Reexamining and improving our continental defense and warning systems.

Reevaluating command and control of nuclear weapons authority to minimize risk of a triggered war by accident or miscalculation.

For protecting our population against nuclear attack by undertaking an expanded program of civil defense.

Our conventional war capabilities too have been strengthened with a flexible nuclear and nonnuclear striking power in the following ways:

Increasing manpower;

Reorganization and modernization of units, including new improved weapons to increase fire power;

Expanding air and sea forces for greater troop mobility;

Sharpen up training programs for guerrilla type warfare; and

Generally undertaking across-the-board efforts to improve the capabilities of our American forces for meeting crises around the globe.

COMPARE FREE WORLD-COMMUNIST ARMED FORCES

We realize, of course, that a defense force is significant only if effectively capable of coping with the size and power of its enemy.

In recent years, the U.S. mutual security program has forged the chain which held together the alliances of free nations—including the North Atlantic Treaty Organization, Central Treaty Organization, Southeast Asia Treaty Organization, and Australia-New Zealand-United States.

Today the United States, and its allies, have a total of 8,680,000 men in their Armed Forces, compared to about 9,300,000 in the Sino-Soviet bloc. Of the free world total, the European NATO powers have 3 million men under arms and the United States has 2.5 million. In the Far East, where the Republic of China and Korea are two significant bulwarks against Communist expansion, the allied forces total more than 1.5 million men.

We and our allies have about 29,000 aircraft in operational units and 3,700 major combatant vessels. About 40 percent of the aircraft and 60 percent of the total allied naval strength is supplied by our allies.

In addition, strategically located bases in allied countries on the periphery of the Communist camp provides launching pads for free world missiles, "zeroed in" on the heart of communism. By experience we have learned that it is extremely difficult, because of the Iron and Bamboo Curtains, to get a good evaluation of the strength, mobility, and fire power of Communist military forces. Let's face it, however, the Red forces represent a formidable enemy.

In addition, the Soviet Union has recently resumed testing of nuclear superbombs; engaged in firing of higher powered rockets; and undertaken new orders, not only for modernization, but mobilization of more military forces.

Because of the greater concentration of military power by the world, we have found it necessary not only to strengthen our own defenses, but to bolster the defenses of free world nations allied with us in efforts to combat communism.

NEEDED: DEFENSE AGAINST ATTACK IN SPACE

A new feature of the military picture, of course, is the space challenge.

Recognizing that space could serve as a launching site for enemy attack, the free world has attempted to obtain agreements with the Communists for dedicating outer space for peaceful purposes.

Unfortunately, we have not been successful. To the contrary, the Reds have been moving ahead rapidly with developments of space vehicles, with military potential. In addition, they have been using this as a foundation for power politics and international blackmail.

Consequently, it is essential that we move full speed ahead on development of a space—defense program. This would necessarily include protection against nuclear bombing from outer space; satellites or other space craft used for attack; development of effective antimissile missiles; antidotes to nuclear fallout; and other defenses.

FOOT SOLDIER—NOT OBSOLETE

Throughout history, the creation of new, more powerful weapons often have been accompanied by illusions that the foot soldier would become obsolete.

Each time, however, this proved untrue. Despite new—almost Buck Rogerish—weapons, there is still a need not only for the traditional air-land-sea "guardsmen of the peace," but of ever higher caliber capability in such fighting men—the only really indispensable unit in our defense forces.

WORLD "HOT SPOT"

Currently, the world spotlight in the East-West conflict focuses upon two hot spots: (1) Berlin; (2) the United Nations.

First, let's take a look at Berlin.

To protect Western rights, obligations and interests, we will need to stand firm to repel any broadscale attacks by the Communists; utilize flexible, diplomatic and military footwork in parrying provocations; and undertake a more dynamic diplomatic offensive to find a peaceful solution to the Soviet-created crises.

In our efforts to find a solution, we must, in my judgment, adhere to two basic principles:

(1) Demonstrate militarily that we will not be "pushed around", and (2) offer constructive alternatives to a military showdown—not just "stand firm, but empty handed."

The fundamental principles in Western proposals should, I believe, include the following: (1) A recommendation that the question of unification or nonunification be settled by a U.N.-supervised secret ballot election; (2) If the Soviet Union disagrees—which in all likelihood it would—propose the establishment of a U.N. Commission to make recommendations for ending East-West occupation of Germany; (3) Object to change in the status of West Berlin without adequate safeguards for the interests and integrity of its citizens; (4) Resist interference with access to West Berlin by the Western nations.

Realistically, the Communists will be hard bargainers. Nevertheless, reasonable, logical proposals would, I believe, (1) Put the United States and the West in a better negotiating position; and (2) Garner support of world opinion—particularly on our advocating the universally recognized right of self-determination by the German people.

Unless the West comes up with constructive recommendations for solution of the crisis, we will—and justifiably, in my opinion—find our policies branded as "sterile stand-patism."

U.N.—A BATTLEGROUND

Now, let's take a look at the second "combat arena of East-West—and, yes, so-called neutral forces: that is, the United Nations.

The 16th session of the U.N. General Assembly promises to be explosive.

On the agenda are great issues of real significance to the free world and to peace.

The tragic death of Secretary General Dag Hammarskjold has cast a sorrow over the U.N. The high stature of statemanship in Mr. Hammarskjold's work reflected high credit not only upon himself but upon the office of Secretary General.

The U.N., of course, now faces the difficult task of finding a replacement.

Unfortunately, the job will be complicated by efforts of the Soviet Union to change the nature of the office of Secretary General to a triumvirate—representing the Communist, free world and so-called non-Communist blocs.

The major issues confronting the Assembly, then, include the following:

Replacing the esteemed and respected Dag Hammarskjold with an individual of similar high qualities.

Preventing the Soviet Union from replacing the single, workable Secretariat with a three-headed, self-nullifying monster called the troika—representing the Communist, Western and so-called Neutral blocs, each with a veto power.

Blocking the seating of Red China.

Presenting a realistic disarmament proposal to the world.

Protecting Western rights and obligations in Berlin, including emphasis on the universally recognized right of self-determination by the citizens of Berlin and Germany

The Soviet Union is expected again to harp upon the issue of colonialism. Today, however, communism represents the greatest colonial power in the world. Consequently, the West can—and should—stuff the issue down their throats.

CONCLUSION

For the future, then, the battle against communism will be fought on the production line, around the conference table, through trade channels, on the ideological plateaus for the minds of men—all of these conflicts under the shadow of poised, ready-

to-fire, push-button nuclear-warhead missiles.

However, the "military shield"—now and in the foreseeable future—will continue to serve as a major deterrent to expansion by the Communists.

As a leader of the free world, consequently, we need to—

Maintain a strong, forward-moving economy, with full employment, for meeting the domestic needs of our citizens, as well as to retain a good, healthy lead over the Communists' challenge on the agricultural-industrial-consumer goods production line.

Further strengthen our jet-nuclear-missile-space defense—to guard the ramparts of freedom and to deter would-be aggressors elsewhere in the world.

Pace our scientific-technological programs to stay well ahead of competition; and

Carry forward a realistic foreign policy, designed to: obstruct the expansionist efforts of communism; accommodate, or negotiate, conflicts of interest among nations or blocs of nations; prevent a third world war; and, to promote the cause of peace.

The International Telecommunication Union and Space Communications

EXTENSION OF REMARKS
OF

HON. JAMES G. FULTON

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 27, 1961

Mr. FULTON. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following:

THE INTERNATIONAL TELECOMMUNICATION UNION AND SPACE COMMUNICATIONS

(By Hon. Gerald C. Gross, secretary general, International Telecommunication Union)

In our world, on our small planet, the man in the street himself takes it for granted that not only telephone, telegraph, broadcasting, television, radar but now even space communications are normal means of exchanging words, images, and ideas. The word "telecommunication" comes from the two words tele (at a distance in Greek) and communicare (from the Latin to communicate). In the ITU Convention, the term "telecommunication" is defined as "any transmission, emission of reception of signs, signals, writing, images and sounds or intelligence of any nature by wire, radio, visual or other electromagnetic systems."

While, however, the term "telecommunication" has been defined precisely we are plagued from time to time with that word "union." For example, as secretary general of the Atlantic City Conference of 1947, I recall receiving from the Associated Press an inquiry as follows: "Please advise soonest whether International Telecommunication Union is affiliated with the American Federation of Labor or the CIO."

The International Telegraph Union, progenitor of the present Telecommunication Union, was established at Paris, France, in 1865 under the provisions of a treaty, the negotiation of which, to quote Clark, was prompted by the motives of Napoleon III who, "at the height of his imperial glory and neglecting no means which would centralize the world in France moved to secure a European entente by the scarcely visible wires of telegraphic solidarity." If it ever was a European entente, the Telegraph Union did not remain so for long. By its 10th anniversary governmental administrations from Asia and Africa were admitted to the ranks of its membership; participated in its deliberations and were assigned a share in the task of shaping its destiny. Although it was the calculated purpose of the Telegraph Union to secure the technical advantages of a uniform tariff and regulations for telegraphic correspondence, significantly—as now in the case of the International Telecommunication Union—technical competence alone did not mark the boundaries of the Telegraph Union's jurisdiction. At a time, for example, when the tide of state sovereignty was running and not ebbing, the treaty negotiated at Paris in 1865 contained a provision assuring everyone—not merely sovereign members of the union—the right to correspond by means of the international telegraph.

The telephone was the second system of rapid long-distance communication to be developed. It was in 1876 that speech was first transmitted over wires by Alexander Graham Bell and as early as 1885 regulations governing the International Telephone Service were included, as was logical, in the International Telegraph Regulations, with little change in the structure of the union.

The next development was that of radio, the value of which for increasing the safety of maritime navigation, was soon realized. Radio was not the invention of any one person. While Marconi is almost universally recognized as the father of radio, one must not overlook the work of such pioneers as Hertz of Germany, Hughes in England, Branly in France, and Popoff in Russia. It was in 1901 that the first transatlantic radiocommunication was made.

Certain difficulties arose, however, since one of the early commercial companies in the field, which was given the right to install radio apparatus on ships, also claimed the right to refuse to communicate with any other radio station not equipped by that company. This led to the following rather amazing incident. In 1902 Prince Henry of Prussia attempted to send President Theodore Roosevelt a courtesy message while crossing the Atlantic after a visit in the United States. Being out of range of U.S. stations, the ship's operator tried to pass the message via an English station, but it was refused since the radio equipment on the ship had been installed by a rival company.

The German Emperor, when informed of this, enlisted the aid of President Roosevelt in bringing about an international conference. A meeting was held in Berlin in 1903 to undertake preliminary studies regarding the international regulation of radio and soon after that, the first International Radio Telegraph Convention was signed by 27 countries in Berlin in 1906, at which time the radio division became an important branch of the International Telegraph Union. The International Telegraph Convention of St. Petersburg, 1875, and the International Radio-Telegraph Convention of Washington of 1927 were fused at Madrid in 1932 into the International Telecommunication Convention of Madrid 1932, and the broader title "telecommunication" was applied thereafter to what previously had been known as the International Telegraph Union.

Scientific progress was such that in 1947 at Atlantic City, the structure of the ITU had to be radically altered and expanded by a new convention. On January 1, 1947, when this convention entered into force, the ITU found itself with a greatly increased staff, recruited on an international basis, with a number of technical organs working on a permanent basis.

It was also the Atlantic City Plenipotentiary Conference which negotiated an agreement with the United Nations under which the ITU became a specialized agency. An administrative council was set up which took over the supervisory functions previously exercised by the Swiss Government.

The big changes brought about at the Atlantic City Conference in 1947 were not quite a revolution in the Union, but merely pushed the limits of evolution to a stretching point.

To these significant changes and achievements appearing in the recorded history of the Union, I am compelled to add yet another. Upon reflection it is really an accomplishment of novel impression bound up intimately with the deepest wishes of each of us at this 12th Congress of the IAF. Hopefully, this forward step taken by the ITU will prove to be the precursor to the extension of reason, rather than anarchy, into the new dimension of outer space, I speak of the technically modest, but landmark achievement in the affairs of mankind, which occurred in 1959 in the city of Geneva. For it was there, at that time, that the first international rules of law applicable specifically to activities in outer space were negotiated by the International Telecommunication Union when provisions for frequency allocations involving newly designated space radiocommunication services were inserted in a revision to the ITU radio regulations.

The history of ITU in the field of international cooperation has been impressive. In our very specialized technical field, there has been remarkable cooperation among all nations involving all forms of political opinion. The successful results achieved and maintained over a period of almost a century provide a very concrete example of what can be done among scientists and engineers.

I need not stress this point here today because you, yourselves, have proved this can be true. In the International Astronautical Federation, which under the distinguished leadership of your existing president, Prof. Leonid I. Sedov of the U.S.S.R. Academy of Sciences in Moscow and your general counsel, Andrew Gallagher Haley, have demonstrated in a brilliant way that such active cooperation for the peaceful development of astronautics is possible in the overall interests of mankind.

At this time let me make it quite clear that the secretariat of the ITU does not establish the basic policy of our organization. Ultimately, that policy must be established by the various conferences themselves and carried out through the administrative council and the permanent organs of the Union. Nevertheless, because of the day-to-day responsibility of the secretariat, many questions have come to our attention, and many answers have been suggested to questions concerning the future role of the ITU in space communication.

You all know that there is now scheduled an international conference, probably to be held in 1963, and preceded by a meeting of a special CCIR study group in the spring of 1962 to consider the allocation of frequencies for space communication and other space purposes. Many of the countries who will attend these meetings and who will have a considerable influence on the ultimate results obtained, will not have an immediate requirement for the substantial allocation of frequencies for their own space activities. They will, however, have a principal interest in accommodating space needs on a basis that will not prevent the use of the same frequencies for more ordinary ground or earth microwave purposes. Many of them will be concerned lest the large countries, such as the United States and the Soviet Union, use the lower microwave frequencies in a way that may cause significant interference to their own ground services.

I have heard it suggested that it may be necessary to devise a procedure internationally for the review of actual frequency selection in order to assure the contemplated protection to many countries. And it has also been suggested that the ITU would be

the appropriate place for such a function. Whether this need should be met by the ITU, must, of course, depend upon the policy decisions of our Government members.

Let me give you another illustration of the kind of speculation that has come to my attention concerning the future role of the ITU in connection with space activities. The successful launching of a communications satellite system to provide extensive facilities throughout the globe inevitably involves a considerable amount of international negotiation. This will extend into areas far removed from technical frequency matters. It may well be that any system that is evolved will have participating ownership of a number of countries.

There must also be detailed operating arrangements and other agreements essential to the effective success of the venture. Much of the negotiations will be of a bilateral or multilateral nature between operating entities. Much of it will also involve broad basic political agreement between the interested countries. And these in turn will have a direct bearing upon the frequency allocations and technical standards that may be required. I have heard it suggested that these negotiations be within the framework of the ITU because of the longstanding experience of the ITU in the field of communications and its record of substantial success of an international agency.

Certainly the experience of the ITU in providing for international meeting and negotion would come in handy in connection with matters such as I have just discussed. Again, whether the ITU should provide the framework within which such negotiation concerning communications matters is engendered must depend upon the careful judgment of the member governments.

Whenever one hears of space communication and the ITU, the question seems to arise whether the ITU should actually become an operating agency for the purpose of providing a communications satellite system accessible to the world. It cannot now become an operating agency. I use the term "operating agency" in the sense technically understood as an agency which itself operates a telecommunication service. In these terms let me say at once that ITU is not prepared at this time to go into the operating business of such multimillion-dollar network. It would take months and months, going into years, to change the regulatory technical character of the ITU to fulfill such functions. Similarly, any new organization which might be created to act as an operating agency would, in my opinion, require much more time than is available to acquire the necessary know-how and competence.

I feel that we should at this time utilize the existing operating entities in the ITU member governments to meet the urgencies of the situation with due attention being given to the necessary technical and operating regulations in order to protect the ultimate communication services for the public.

Specifically, such regulation should comply with the basic doctrine laid down in article 4 of the International Telecommunication Union, which among other things (and here I shall not take your time to quote article 4 in full, but I commit it to you for reference).

"ARTICLE 4. PURPOSES OF THE UNION

"1. The purposes of the Union are:

"(b) to promote the development of technical facilities and their most efficient operation with a view to improving the efficiency of telecommunication services, increasing their usefulness and making them, so far as possible, generally available to the public;

"(c) to harmonize the actions of nations in the attainment of those common ends.

"2. To this end, the Union shall in particular:

"(a) effect allocation of the radio frequency spectrum and registration of radio frequency assignments in order to avoid harmful interference between radio stations of different countries;

"(b) coordinate efforts to eliminate harmful interference between radio stations of different countries and to improve the use made of the radio frequency spectrum;

"(c) foster collaboration among its members and associate members with a view to the establishment of rates at levels as low as possible consistent with an efficient service and taking into account the necessity for maintaining independent financial administration of telecommunication on a sound basis;

"(d) foster the creation, development and improvement of telecommunication equipment and networks in new or developing countries by every means at its disposal, especially its participation in the appropriate programs of the United Nations;".

On Monday of this week I heard General Counsel Haley discuss the delineation of space from a legal standpoint with his reference to the Von Karman Line and his practical suggestion in reply to a question that this might be considered as something of the order of 50 miles above earth.

Here, a figure may be of significance to you when you consider the economics of the situation. We have spent a good deal of time discussing space communication problems and it may interest you to know that the launching of enough satellites to make an initial system will cost more than 10 times the entire ITU budget since its founding in 1865 until the present.

I wish I had the time to go into some of the fascinating technical details of the operation involved. All communication records were shattered when communication was established by radio with satellites up to several million miles away. Personally, I had the pleasure of seeing the last Mercury-Atlas launch from Cape Canaveral and of observing from the control room the splendid network of communications which has been established.

I have spoken about the successful cooperation which it has been our good fortune to obtain in the ITU among all our member governments.

As a further step in this direction I have invited the United States Government and the Soviet Government to send experts to Geneva to work with the ITU in the preparation for the 1963 World Conference on Space Communications to which I have referred. While the negotiations have been conducted so far with only the two governments mentioned—since they are the only two countries with active space satellites now operating—personnel from other member countries of the ITU would, of course, be most welcome. We need all the help we can get in this planning stage to assist in defining and delineating the many problems ahead of us.

The function of the ITU as a forum for countries of the world to resolve their basic problems with respect to telecommunication questions is obvious. Many coordinating problems inevitably will accompany such new types of operations in space. There will be related areas such as the possible negotiations to which I referred. These will be the areas in which attention should be given at this time, as a practical matter, in thinking about the role of the ITU.

Mr. President, it has been a pleasure to meet with you today. If there is time, I shall be happy to answer any questions that may occur to you. Thank you very much, sir.

Plea for Standardization of Firehose Threads

EXTENSION OF REMARKS
OF
HON. BOB WILSON
OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 27, 1961

Mr. WILSON of California. Mr. Speaker, the International Association of Fire Chiefs Committee on Standardization of Fire Hose Threads has repeatedly made appeals to high authorities with respect to the need for a standard firehose thread to avert a disaster.

Under unanimous consent I wish to include herewith in my remarks correspondence Mr. Robert Ely, chairman of the International Association of Fire Chief's Committee on Standardization of Fire Hose Threads, has recently had with the President of the United States and supplementary material which supports the view of the national association:

SEPTEMBER 21, 1961.

The PRESIDENT OF THE UNITED STATES,
Washington, D.C.

DEAR MR. PRESIDENT: As chairman of a committee having national scope, we wish to inform you and others charged with the welfare, safety, and protection of our country that a serious, dangerous, and costly condition exists in the fire defense of our country. We refer to the use of so many nonstandard firehose threads.

With the advent of the nuclear age we are going through a time of peril for our country and have become much more dependent upon our neighbor, another city, or another State or States in order to survive. In the event of any nuclear attack on this country, there will be much confusion and many problems. Why should we compound our problems by having our firefighting equipment with nonstandard threads that will not fit our neighbors nor our neighbors fit ours?

When we read fire service history we find that during the bombing of England their firefighting operations were impaired considerably because of nonstandard firehose threads, also during the heavy bombings of Stuttgart, Germany, many adjacent cities were called for aid and they found to their dismay that their equipment was of no value due to different threads.

Much work has gone into this standardization program. Standards have been established and some States have passed laws in relation to this problem. However, this is not enough as there are many cities, military installations, State-operated facilities, as well as private installations that do not conform to the national standards. Even our great production city of Detroit has nonstandard firehose threads.

For over 70 years the International Association of Fire Chiefs has adopted resolutions (see attached latest resolutions) recommending that all firehose threads should be standard. Resolutions and recommendations have not been enough to get the job done. It is evident that proper legislation and financial help will be necessary to get the job completed.

We urge your active support and leadership in this very important standardization program and ask that you take the necessary steps to aid and assist the fire service to standardize all firehose threads nationwide.

Sincerely,

ROBERT ELY.

Enclosures: Four.

STANDARDIZATION OF FIREHOSE THREADS

With the greater emphasis being placed on efficient mutual aid (the increase in large scale fires, the possibility of enemy attack) the need for nationwide firehose thread standardization is more imperative than ever.

Enemy bombs during World War II caused the leaders of England to realize the necessity of firehose thread standardization. Now all firehose threads in England are standard and can be used interchangably. We cannot afford to be less prepared.

The standardization of all firehose threads will:

1. Eliminate the confusion and delay cause by nonstandard firehose threads at mutual-aid fires.

2. Make a more effective fire force.

3. Reduce the cost of firehose couplings and fittings.

4. Help to conserve our natural resources, reduce the fire loss of life and property and reduce the drain upon our American economy.

5. Make it possible to make use of any and all of our firefighting equipment in event of a disaster or war.

6. Make it possible to stockpile firehose, nozzles, fittings, etc., and use them in any part of our country or with our Armed Forces when necessary.

Enclosure 1 is a copy of a chart of 462 different combinations of threads that one manufacturer has been required to make for 10 sizes of firehose. [Not printed in the RECORD.]

Enclosures 2 and 3 are copies of resolutions adopted by the International Association of Fire Chiefs asking for aid and assistance to standardize firehose threads.

Enclosure 4 is a copy of International Association of Fire Chiefs committee report on standardization of firehose threads.

For verification please refer to the International Association of Fire Chiefs annual conference proceedings 1958, pages 74, 75, 76, and 152; 1959, pages 147, 148, 155, 156, and 157; 1960, pages 167, 168, and 169.

You may want to review the progress that is being made to standardize firehose threads by referring to the following publications.

Western City magazine, December 1955, page 35.

Pacific Coast Fire Journal, May 1957, page 10; May 1958, page 11; October 1958, page 4; November 1958, page 11.

NFPA Firemen magazine, October 1957, page 24; November 1958, page 12; December 1958, page 18.

Fire Engineering, July 1957, page 620; November 1958, page 1004; November 1960, page 1046.

Los Angeles magazine, "The Firemen's Grapevine," October 1958, page 21.

Public Management Journal of the International City Managers Association, November 1958, page 267.

Trying to fight a fire with firehose that can't be connected together because of nonstandard screw threads is like trying to defend our lives with bullets that won't fit our guns.

Ways and means have been worked out so that many nonstandard threads can be rethreaded economically. Our committee will be glad to discuss the details with anyone who is interested. Please don't hesitate to call on us.

You now have the facts. We hope you will take the necessary steps to help get all firehose threads standardized nationwide.

ROBERT ELY.

RESOLUTION 9

Whereas throughout this country there are many types of threads for fire horse; and

Whereas this has hindered fire department operations on large fires; and

Whereas the successful operation of any fire department to handle large fires is dependent upon assistance from other fire departments; and

Whereas the IAFC as well as the NBFU and the NFPA has recommended the standardization of fire hose threads for many years; and

Whereas the NBFU 1956 pamphlet on national standard screw threads for fire hose couplings and fittings states in part that:

"For more than half a century the lack of uniformity in fire hose threads has been recognized as an unnecessary evil, contributing to the spread of many of our most disastrous fires.

"Enormous fire losses, constituting a serious drain upon American economy, have been due in no small measure to this lack of uniformity in fire hose threads."

Whereas in this era of the atomic age the potential of large fire is increasing; and

Whereas the International Association of Fire Chiefs has fostered standardization of many fire department appliances and equipment: Now, therefore, be it

Resolved, This 19th day of September 1958, the International Association of Fire Chiefs assembled in Los Angeles recommend to the Office of Civil and Defense Mobilization that they give priority to and lend all possible aid and assistance to the program of standardizing all fire hose screw threads throughout the United States of America and lend its influence to our allied countries.

RESOLUTION 5

Whereas the International Association of Fire Chiefs has for over 70 years advocated the importance of standardizing fire hose threads throughout the Nation; and

Whereas notwithstanding the excellent progress made in such standardization in certain areas, the facts are that there are more nonstandardized threads today than at any time since 1873, primarily due to the growth of our country; and

Whereas the need of preparing for continuing emergencies—including a possible atomic war—emphasizes the importance of further intensifying the Nation's efforts toward complete standardization: Therefore, be it

Resolved, That all divisional and State organizations of the International Association of Fire Chiefs be urged to redouble their efforts to effectuate standardization in their respective areas; and be it further

Resolved, That to speed the cause of standardization, this association endeavors to secure matching funds from the Office of Civil and Defense Mobilization to help defray the costs of the equipment necessary to accomplish the desired necessary standardization.

IAFC COMMITTEE GIVES REPORT ON STANDARDIZATION OF HOSE THREADS

(By Robert Ely, chairman)

The Committee on Standardization of Hose Threads was appointed July 8, 1958. Later, at IAFC's annual conference in Los Angeles, the committee with the aid of California State fire marshal, displayed and demonstrated the rethreading tools and equipment that are being used to standardize the firehose threads in California. Great interest was shown at the standardization booth when many chiefs observed how firehose threads could be standardized quickly and economically.

Our committee also composed and presented a resolution asking the Office of Civil Defense Mobilization to give priority to, and lend all possible aid and assistance to, the program of standardizing all firehose screw threads throughout the United States and to lend its influence to our allied countries.

The resolution was adopted at the IAFC annual conference.

A questionnaire that was prepared and sent to all State fire marshals received 33 replies. Only five States indicated that they had a law requiring standard firehose threads. Only 10 indicated that all fire departments in their State use the national standard 2½-inch threads. Only 11 indicated that all fire departments in their State used the national standard 1½-inch threads. Only 14 indicated that there was any organized effort to standardize firehose threads in their State.

In response to the question: "In what way can the IAFC help to get all the firehose threads standardized in your State?" 17 suggestions were received.

Through the cooperation of the North Dakota State fire marshal the same type of questionnaires were sent to all fire departments in North Dakota.

Eighty-six fire departments indicated that they used national standard threads on their 2½-inch hose. Twenty-four departments used nonstandard threads. Ninety-eight fire departments indicated they used national standard threads on their 1½-inch firehose and seven departments used nonstandard threads. Sixty-three departments indicated that they were interested in standardizing firehose threads and 10 departments indicated that they were not interested in standardizing their threads.

Another questionnaire, to solicit information on the OD of the male thread and number of threads per inch on each size of firehose in use in each fire department, was distributed through the cooperation of the New Mexico State fire marshal's office.

As a result of these questionnaires, it is suggested that:

1. The IAFC continue to urge the OCDM to assist in all possible ways in the standardization of all firehose threads and approve necessary funds to accomplish the job.

2. The IAFC study and assist in forming a suggested model law that can be adopted by each State or the National Congress requiring the standardization of all firehose threads and furnishing the fire departments with assistance to accomplish the standardization job.

3. The IAFC contact all underwriters and rating bureaus and urge them to increase their effort in recommending that all firehose threads be standardized and to assist in the standardization of all firehose threads nationally.

4. The IAFC contact all divisional associations of the IAFC and enlist their help on a local level to help get all firehose threads standardized.

5. The IAFC continue to give publicity to the need and desirability of standardizing all firehose threads; recommend that suitable speakers be provided at all State and regional meetings to explain how standardization can be accomplished.

6. The IAFC contact the State Governors and proper government officials to inform them of the renewed effort to standardize all firehose threads nationally and ask their help in providing proper legislation to require standard firehose threads.

7. That the IAFC collect and compile information on the best and most economical ways and means to standardize firehose threads and make all pertinent information available to fire departments.

Colorado Boys Ranch

EXTENSION OF REMARKS

OF

HON. JOHN A. CARROLL

OF COLORADO

IN THE SENATE OF THE UNITED STATES

Wednesday, September 27, 1961

Mr. CARROLL. Mr. President, I wish to commend to the attention of the

Members of the Senate an article entitled "They Give Boys a Future," from the Denver Post magazine section on a Colorado project of which I am very proud. This project is the Colorado Boys Ranch at La Junta, which started operations last March. It is a home for young boys who are having problems at home or in the community. It was created through volunteer labor and private contributions. According to the Post article the Boys Ranch is badly in need of additional funds.

It was my great privilege to be present at the White House last Friday when President Kennedy signed into law S. 279—of which I was a cosponsor—establishing the new Juvenile Delinquency Control Act. Under this act, Federal funds were authorized to be used to aid the States in the battle for the prevention and control of juvenile delinquency.

On the night the Congress adjourned it passed the supplemental appropriations bill which appropriated $8.2 million for fiscal 1962 for the implementation of this act.

I am hopeful that the Colorado Boys Ranch will be given high consideration by the Department of Health, Education, and Welfare at the time it determines to which projects funds will be allocated.

It is my intention to recommend to the Secretary of Health, Education, and Welfare that the Boys Ranch at La Junta be given a sympathetic hearing when he is making his recommendations.

Mr. President, I ask unanimous consent that the Denver Post article be reproduced in the Appendix of the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

THEY GIVE BOYS A FUTURE AND JUST ABOUT EVERYBODY WORKS AT THE JOB AT LA JUNTA, COLO.

(By Bob Jain)

Billy, 10, was headed for the penitentiary. He hadn't committed any crime—not yet. But his whole life to this point aimed him straight for a cell in the Canon City prison.

That, however, was before Billy went to live at the Colorado Boys Ranch at La Junta, Colo. The future looks more promising to him now.

Boys Ranch, the only such institution in the State, has not yet celebrated its first birthday. It started operations last March 18 when Mr. and Mrs. Estell Robinson moved into their remodeled "cottage" and prepared to receive the first boys. Robinson, former schoolteacher, principal and building contractor, is ranch manager. His wife is a registered nurse. Unofficially, they are foster parents to the five boys who live with them, first of what they hope will increase to 300 or more "orphans with parents" from throughout the State.

Billy (and of course that is not his name) is typical of the boys at the ranch. His parents separated when he was 5. His mother counted on school to take care of him during her working hours—but wasn't much concerned about it. Billy, with the child's instinctive knowledge that he wasn't wanted, wandered about the streets instead. A truant officer picked him up.

He was placed in a foster home. But his foster parents moved away and he went to another family. Financial circumstances forced them to give him up and he moved again—four times in all. Now he began to show up in court on minor charges—actually acts of rebellion against a world where he could find no love. The reformatory at Buena Vista seemed the next stop. Then the county judge thought of Boys Ranch. He couldn't sentence a boy to go there, but if the boy himself was willing and if there were accommodations at the ranch it might be arranged. Would Billy like to go there to live until he was through high school? To the lonely little boy, overwhelmed by problems too heavy for him, it seemed no worse than any other alternative.

Properly called the Colorado Boys Ranch Foundation, the ranch is a private, nonprofit corporation under Colorado law. It was created through an immense amount of volunteer labor and private contributions, as well as government aid on the Federal, city, and county levels.

Operating expenses come almost wholly from donations. A drive for funds to run the ranch and to provide the approximately $600,000 needed for improvements started today. Gov. Steve McNichols has designated this week as Boys Ranch Week.

Boys Ranch occupies what once was La Junta Village, a group of 51 buildings erected at the cost of $1 million in 1943 by the Federal Government to house civilian workers at the La Junta Air Base. The base has long since been abandoned. The housing was vacated in 1947. The flat roofs have begun to collapse. Windows are broken. Lawns and gardens have long since surrendered to weeds.

But the cement block walls are solid, as are the concrete slabs on which they rest. Sewer lines, with some repairs, will function for years. Power lines are as good as ever. Plumbing is intact and water is available. Gas is on hand, too, replacing coal as the heating fuel, for a cooperative gas company laid 3½ miles of gas mains from its nearest line to the ranch.

Thirty-two of the structures will become cottages. Another 17 will become classrooms, recreation rooms, and vocational training rooms. A store and the administration building complete the count.

Repair and modification is being done by junior chamber of commerce members from neighboring Rocky Ford. They travel the 10 miles from Rocky Ford to La Junta and back once a week to put on new roofs, tear down interior walls and erect new ones, change window and door arrangements and paint, both inside and outside. Internal arrangements must be changed to meet the needs of the 10 to 12 boys who are to occupy each building.

A group of 32 Mexican field laborers volunteered to work one weekend without pay. They did construction work, pulled weeds and did other necessary chores. And the garden clubs of Rocky Ford, La Junta and Swink are helping landscape the grounds.

Colorado's cattlemen have been the largest contributors to Boys Ranch. Gifts of registered and commercial stock have created a ranch herd of 82 head, plus 5 horses and 4 pigs. Since there are as yet no facilities to care for the cattle on the ranch they are boarded at no cost on neighboring private ranches, with most on the spread of Everette Marshall, former world's champion heavyweight professional wrestling champion and now a trustee of Boys Ranch.

One of the pigs, a particular pet, is being kept for the time being in an unrepaired unit, later to become a classroom. The housewife who lived in Unit No. 9 would be surprised to see this vast porker snuffling around her kitchen.

The boys also have 18 pheasant chicks, given to them to raise by the Colorado Game and Fish Department. These will be released when grown to replenish the State's game bird supply. The 48 pigeons—the number fluctuates—were captured by the boys at the ranch or at Marshall's feed lot. Two articulate geese round out the livestock. The boys take care of all the animals except the cattle, feeding them each morning before they have their own breakfast. They also make their own beds and are responsible for the cleanliness of their sleeping and study quarters.

Income from the livestock already figures large on the ranch budget and is expected to increase. As a working layout, the ranch will furnish much of the meat, dairy products and produce eaten by the boys and the staff.

Doctors and dentists have been the next largest contributors through service, gifts, and cash.

The bulk of continuing support, however, is expected to come from small but regular givers through the "Buck-a-Month Club." John May, executive secretary of the ranch, figures that 30,000 people giving $1 a month apiece will support 300 boys.

Officers and trustees are a fair sample of the community's business and professional life. The president is Dr. Richard L. Davis, a medical doctor; Carl Shafer, a lumber company manager, is vice president; Bob Cody, a savings and loan firm assistant manager, is treasurer. Trustees, in addition to Marshall, are S. O. Jeffers, a druggist; Milton Richert, a banker; Jim Myers, manager of an REA cooperative; Elias Candell, attorney from Lakewood and the only nonarea man on the board; and Earl Brubaker, owner of a cement products firm. Doyle L. Davidson, travel promotion official, is assistant executive secretary. Olin Richert and J. H. Macdonald, both bankers, are the ranch's trust officers.

May, his secretary, Mrs. Grace Rhodes, the Robinsons, and Mrs. Mary Watters, the cook, are the only paid staff members at present.

May, a former probation officer and police judge, says the ranch started as a result of concern by Colorado's county judges over the number of boys from broken homes appearing before them. Boys' ranches worked well in other States, but Colorado had none.

La Junta Village caught the attention of Howard Ashton, then Boulder County judge. He telephoned Judge Hal Chapman of Otero County in late 1958 to ask about it. Interested citizens from Boulder and La Junta met in La Junta in January 1959, to consider the project.

The Federal Government, which still owned the village, created a local housing authority to take title to the 37½ acres of land and the buildings. The authority deeded it over to the foundation.

Otero County donated another 160 acres. Olin, John, and Milton Richert bought the rest of a half section surrounding the ranch and gave it to the foundation in memory of their father, John. Options have been taken by the ranch on several thousand acres of farm and ranchland touching its present holdings. The city of La Junta presented the ranch with a complete frozen food plant.

A contractor estimated that building a new cottage would cost about $13,500. Remodeling those at hand, however, costs only $8,000 with even that figure reduced sharply by donations of material and by volunteer labor.

A list of donors would fill many pages. Nonmoney gifts include building material, fixtures, furnishings, transportation, and labor. At the foundation's headquarters in the La Junta Chamber of Commerce, for instance, where it rents desk space, high school girls from La Junta and nearby communities type letters to prospective donors and requests for publicity to newspapers, radio, and television stations throughout the State. Typewriters are loaned by a local office supply store. Women unable to go to the office type in their homes.

A vast amount of work has been done, but an even greater amount remains. There are another half-a-hundred buildings to be repaired. The streets need paving.

The trustees have plans for all this. Individuals giving $100 or more during 1961 will be listed in the administration building halls as Founders Fund members. Donations of $10,000 entitle the giver to dedicate a cottage to a person or cause.

"Anyone who pays for having a street paved can have it named after him," said May.

During the school year the boys go to classes in La Junta. They are taken in to town on Sunday, too, so they can attend any church they wish.

"You can send a boy to college more cheaply than you can send him to prison," May comments soberly. He reasons that from an utterly cold-blooded point of view it will cost less to set up the ranch and maintain it with its full complement of boys than it will to support them in prison later on, along with the cost of crimes they might commit.

But neither May nor those working with him in the foundation look at it that way. What they see is a group of hurt and bewildered boys, adrift in a world they did not ask to enter, who need help and, most of all, love.

Statements by the Honorable George W. Ball and the Honorable John M. Leddy at the World Bank Meeting in Vienna, September 19–21, 1961

EXTENSION OF REMARKS
OF
HON. JOSEPH S. CLARK
OF PENNSYLVANIA
IN THE SENATE OF THE UNITED STATES

Wednesday, September 27, 1961

Mr. CLARK. Mr. President, I wish to invite the attention of my colleagues to statements made at the recent meeting of the World Bank in Vienna, which I had the honor of attending as a Senate observer, by the Honorable George W. Ball, Under Secretary of State for Economic Affairs and the Honorable John M. Leddy, Assistant Secretary of the Treasury. Both gentlemen are alternate governors of the bank and fund for the United States. I ask unanimous consent to have the statements inserted in the CONGRESSIONAL RECORD.

There being no objection, the statements were ordered to be printed in the RECORD, as follows:

STATEMENT BY THE HONORABLE GEORGE W. BALL, UNDER SECRETARY OF STATE FOR ECONOMIC AFFAIRS, AND ALTERNATE GOVERNOR OF THE BANK AND FUND FOR THE UNITED STATES, AT THE BANK'S ANNUAL DISCUSSION

No one can study the annual report of the International Bank for Reconstruction and Development nor observe its operations throughout the past few years without the conviction that it has outgrown its name. The International Bank today is no longer merely a remarkable financial institution but a major instrument of human advancement. Under the perceptive and imaginative leadership of its president and other officers, its executive directors and its staff, it has provided not only material help but wise counsel to nations both new and old, that are caught up in the great ferment that is sweeping the world.

The nature of this ferment is still difficult to comprehend. Its elements are political, economic, social cultural, and scientific. It affects more than half of the world's peoples. It involves the release of massive forces through a kind of seismic social convulsion—the crumbling of old systems and the creation, often in violence and blood, of new nations and institutions.

What we are experiencing today is distinct from the waves of political revolution we have known at earlier times. That half of the world's population embroiled in this ferment is asking for more than national independence. Most of the peoples involved in this surging movement have already secured the juridical right to rule themselves. But all too often this is only the beginning of the task of building the essential institutions of statehood.

The people in what we have come to call the less developed areas of the world are giving insistent voice to many and varied demands—demands which we should not, indeed which we cannot, ignore.

They are demanding access to the basic material requirements of life—food, clothing, and shelter—which previous generations have known so meagerly. They are demanding other material comforts and conveniences that are available to the peopels of the more developed societies. They are demanding personal freedom and dignity, better education for themselves and their children, and the opportunity for cultural and spiritual growth. Finally, they are demanding the right to live out their lives in peace and security.

Quite obviously, all these demands cannot be satisfied quickly even by the most far-reaching and successful programs of economic development. Yet economic development remains an indispensable element in their fulfillment. If the revolution which we are witnessing today is to succeed—and its frustration could mean only catastrophe—then the more developed nations must provide, through public assistance and private investment (and I do not underestimate the importance of private investment), that measure of resources needed to transform and modernize at least half the globe.

All of this has been said before and much better. But today I want to emphasize two considerations that are not always adequately stressed.

First is the element of time and urgency. Most of the older industrial societies achieved their present levels of economic and technical development over a period of centuries, but the less developed nations of today will not wait. Two billion people are no longer prepared to accept the miserable conditions of life which their ancestors patiently endured. They are persuaded that the vaulting technology of the modern world offers the physical means by which centuries of stagnation can be overcome.

The second element that complicates our task is our lack of reliable insight into what we are doing and where we are going. We know very little about the anatomy of economic and social growth. An abundance of preconception masquerades as principle; an abundance of theory substitutes for experience. Yet the lessons implicit in the history of industrialized societies are largely irrelevant.

For we are dealing with disparate cultures, with violent emotional impulses, and with explosive political pressures. We find ourselves constantly moving into new terrain; we must experiment, appraise, and try to learn by doing, without losing our forward momentum.

It is here that the IBRD and its affiliated institutions are making a special contribution—the contribution of experience patiently acquired, thoughtfully appraised, and incisively applied. In a real sense the Bank has been a pioneer, moving with firm purpose through the tangled forest of economic development.

It is because of its willingness to depart from precedent that the Bank has evolved from being merely a lender of money to an institution that is playing a part in shaping the world revolution of development. In this process the Bank, through its varied initiatives, has contributed to our understanding of the process of development, and the means of encouraging development, far more than most of us realize.

The Bank, for example, has not been bound by any doctrinaire commitment to the principle that the marketplace must be the sole arbiter of investment. Many less-developed countries possess neither the institutional structure nor a sufficient entrepreneurial tradition to make this possible. If resources are to be injected into the investment stream in such a manner as to contribute most efficiently to economic growth then they must be employed systematically to build those basic elements of production—transportation, roads, powerplants, and factories—that are indispensable to the growth process. And this obviously implies a considerable measure of planning at the national level in which the state must necessarily take the lead.

The recognition of this paradox—that intelligent planning for a less-developed economy may be essential to the progressive achievement of economic freedom as the society moves toward a higher level—has been implicit in much that the Bank has done.

At the same time, the Bank has come to understand that national planning is itself an esoteric art which most less-developed societies cannot practice effectively without help and guidance. As an international organization bringing together the skills of many nations, the Bank has equipped itself to provide that guidance in ways that take into account the sensitivities of the developing countries.

Perhaps the most refined form of the Bank's activities in this connection has been the organization of consortia. In providing the leadership for consortia, the Bank has had an extraordinary opportunity to encourage, review, and criticize national economic plans. I am sure that few of us are fully aware of the amount of painstaking effort that has been expended in the leadership of consortia or of the quantity or quality of useful advice which the Bank's technicians have provided to the developing countries.

But the perfection of the consortium is not the only contribution which the Bank has made to the art and practice of national planning. It has created an Economic Development Institute to train senior Government officials, and the management of the Bank has recently proposed a Development Advisory Service which the executive directors have approved. Through this Development Advisory Service the Bank may provide expert help in development planning on a continuous basis, through career-type personnel. It may establish resident missions, where requested, to assist in the preparation and execution of broad development programs. It may furnish technical advice and assistance in the actual administration of particular programs of lesser scope. This, it seems to me, is a useful extension of the Bank's activities and one which deserves our full support.

One reason why the Bank has succeeded in its diverse tasks is that it has perceived the need to adapt its tools to the requirements of the responsibilities it has undertaken.

The establishment of the International Development Association is, I think, a manifestation of this perception. The IDA is now an effective member of the community of international lending institutions. But, as we can see from its first annual report, the demands on the International Development Association are increasing. We may well need to face an enlargement of IDA funds in the near future.

With the facilities of IDA serving as a complement to its own, the IBRD should be able to increase its effectiveness. Yet action through international mechanisms such as the Bank and its affiliated institutions is, of course, only one phase of the massive effort that is needed to meet the demands confronting us.

The United States has long recognized that the economically advanced countries cannot fulfill their responsibility solely through their participation in the work of the Bank. During the last few months, my Government has been engaged in a major renovation and strengthening of its own arrangements for bilateral assistance. President Kennedy's new program, which the Congress has just approved, rests on two major premises.

The first is the same premise which has animated much of the work of the Bank—that sustained economic and social progress under conditions of freedom can be achieved only by regarding the development process from the point of view of the recipient nation as a whole. Development programs can best succeed where there is a determination on the part of the peoples to mobilize their own resources for the purposes of working out overall country programs in which each project is related to all other projects. Human needs are too acute and capital resources too limited for money to be devoted to isolated projects which contribute little to the total national economy of an underdeveloped country.

The other major premise which played a part in the development of President Kennedy's new program has been the conviction that the task or raising the level of life in the less developed countries is one which the economically advanced nations must share. It is an undertaking far beyond the resources of any one nation.

It was with this in mind that my Government has welcomed the initiative taken by the IBRD in the sponsorship of consortia. It is with this in mind also that we have become an active participant in the development assistance group, soon to become the Development Assistance Committee of the OECD. This group will provide a means for systematic consultation to increase the total volume of resources for development and to improve their utilization.

We have great hopes for the new Development Assistance Committee. We are convinced that, as it gains experience, it can play an even more useful role. Yet, here also, we are moving in an area of empiricism, and only time and experience will show exactly how the work of the Committee will develop.

But I do want to make one point quite clear. The Development Assistance Committee is merely another tool for all of us to use in responding to the formidable demands imposed by the revolution of development. In helping to mobilize the resources of the industrialized countries through all appropriate mechanisms—including consortia under certain circumstances—it will be in no sense a competitor of the Bank. Its activities will be harmonized so as to supplement and complement the Bank's own most useful efforts.

The efforts of which I have spoken so far—bilateral, international and national—offer hope and encouragement for the future. Primarily they are concerned, however, with only a single aspect of the development process, the provision of technical services and the investment of external capital resources to insure economic growth.

Yet we all know that economic development cannot be an end in itself. It is merely one means—albeit an indispensable one—of satisfying human aspirations. Economic development if aimed ultimately at the achievement of broad humanitarian goals. But if those goals are actually to be realized we must face up to the uncomfortable fact that economic development will have to be accompanied by other political, social, cultural and economic processes—and this presents a major problem.

Economic development cannot serve its real purpose if its benefits are enjoyed exclusively by a wealthy elite, while the great masses remain in poverty. Nor can there be any assurance of lasting benefits from economic development in any nation where the government is the master of society and not its servant.

It is with respect to this point, I think, that the debate among the more advanced countries as to the most desirable system of economic and social organization is most often misunderstood, particularly in the less developed nations. All too frequently the controversy is regarded as merely a dispute concerning the merits of governmental intervention in the economic processes of society.

Nothing could be further from the truth; the argument is far more fundamental than that. Every modern society—however advanced or primitive—takes for granted a measure of governmental control over the economy. The critical issue of our times is not "government control" but uncontrolled government. Where the people of any nation lack the power to choose their rulers, can criticize them only at personal peril and have no effective means of influencing their behavior, these people can easily be reduced to slavery, and there is no guarantee that any degree of economic development will actually benefit anyone except the rulers themselves.

A second major problem stems from the fact that the successful achievement of our humanitarian objectives depends to a considerable extent upon the ability of economic growth to keep pace with demographic developments.

The "population explosion" has become a familiar term in recent years. Even so, its true dimensions are difficult to grasp. Some time this year, the three-billionth human being will be born. On the basis of a statistical average, 200 births occur every minute. It is also a stark fact of demography that the major portion of these births is taking place in the less developed regions of the world.

The prevailing rate of population growth affects not only the net rate of economic advancement, but also the volume of resources and the nature of the national programs required to achieve rapid development. Even under the best of circumstances, the less developed nations will fight a losing battle unless they can obtain, and use with maximum efficiency, a huge volume of capital and technical skills. In this context, the population explosion, if continued, will place an ever-increasing burden on the more advanced countries and international lending institutions. It will place a burden as well on the developing countries, to achieve greater effectiveness in mobilizing internal resources for development.

The population problem must, of course, be taken into account in drafting national development programs. Areas with plentiful manpower may find it useful to stress development activities of a labor-intensive nature. Nations with small populations relative to resources may more appropriately consider labor-saving activities. And the rate of population growth will, of course, require close attention to the proper balance between increasing the production of basic foodstuffs and quickening the pace toward industrialization.

Rapid population growth, therefore, conditions the prospects for achieving the true objectives of economic development. It is a problem intimately bound up with the social and cultural traditions—and inhibitions—of each particular country. It is a problem which, in all its aspects, calls increasingly for the exercise of the most mature wisdom. But while we cannot solve this problem here today we can at least define our goal. We want a world in which every birth is accompanied by a birthright.

There is a third major problem which is too often neglected. In our preoccupation with the process of development at the national level we have given all too little thought, I fear, to the total economic impact of the development revolution on the world as a whole.

We can hardly expect the less-developed nations to attain a level of self-sustaining growth if they are unable to earn a growing volume of convertible foreign exchange in world markets. Any program for economic development may become an absurdity unless it realistically takes account of world trading patterns and prospects.

There are several facets to this complex problem. First, the less-developed nations must be able to find reasonably stable markets for the raw materials they produce. The foreign aid provided under even the most ambitious assistance program for a developing nation can be totally negated if that nation suffers an abrupt cyclical decline in the world market price for a major raw material it exports. This is particularly true of those countries which are dependent upon one or two basic commodities for the bulk of their foreign exchange earnings.

Quite apart from these cyclical fluctuations, we know also that certain primary commodities show a continuous tendency toward increasing output. As a result, the aggregate supply of these products may come to exceed any conceivable future demand at reasonable prices. Obviously, any development program aimed at increasing a country's capacity for producing commodities in world surplus will be self-defeating. In persistent surplus situations we must face the hard necessity of devising mechanisms, within a worldwide framework, to stabilize prices and production.

This is a problem which is preoccupying the U.S. Government today. We are giving a great deal of thought and effort to its solution. But I must emphasize that it cannot be solved by the creation of special preferential systems between groups of primary producing countries and one or more industrialized countries. Such discriminatory solutions, in the long run, will only delay and complicate the working out of these problems on a worldwide basis.

Another aspect of this question which enters into the total equation of development planning is the impact of worldwide industrialization on world markets. As the less developed countries progress toward economic advancement they will begin to move progressively into the edges of industrialization. Initially they may concentrate on the production of articles needed to meet the expanding demands of their own peoples. But if they are ever to be capable of continuing the development process through their own efforts—if they are to reach the beckoning goal of self-sustaining growth—then they must be able to sell their production on the world markets.

It goes without saying that in many of the developing nations the most valuable productive resource is low-cost labor. With a large reservoir of unskilled labor and a shortage of capital, it is only natural that such countries should tend to concentrate their production in labor-intensive industries. In an ideal world one might expect the industrial nations to move consciously toward more sophisticated production, leaving to the developing nations an expanding field for simpler manufactures. But this is not an ideal world and we all know well enough that the structural adjustments which this implies—even though marginal

so far as most economies are concerned—cannot be easily or quickly accomplished.

I would expect, therefore, that we are only at the beginning of a process in which the governments of the industrialized nations must take the lead in providing an orderly opportunity for the expansion of markets for the production of the underdeveloped nations. In the absence of a great deal of will and effort and consultation among nations there is grave danger that the normal and necessary changes in trading patterns will be artificially distorted by restrictive reflexes on the part of major consuming nations. In that event the hope for a prosperous world in which resources are most effectively used would be cruelly delayed or frustrated.

In my remarks this morning I have recited a litany of problems. Economic development itself, the improvement of political and social organization, the population explosion, and the relationship of economic development to the world trading system—all of these are complex and difficult. Formidable troubles for an already troubled world.

I would not suggest that the IBRD—nor any other national or international agency engaged in economic development—has the power to solve these problems. We cannot possibly assure a perfect adjustment between economic planning on the one hand and the relevant political, social, demographic, and commercial factors on the other. However, we must do our best to make certain that our plans and efforts in the field of economic development do not wholly ignore these vital problems, that we take account of them to the extent permitted by the dimensions of our knowledge and by the built-in limitations of the environment in which we work.

Development planning is complex, and those responsible for such planning may be forgiven a certain reluctance to accept the introduction of new complexities. But we shall do ourselves no service unless we make sure that those objectives are not frustrated by our indifference to forces and elements that are not included in the narrow definition of development planning. A great American philosopher once defined a fanatic as "a man who redoubles his efforts when he has forgotten his aim." The field of economic development demands men of talent and dedication but men for whom the overall humanitarian aim is always clearly visible.

It is with confidence this morning that we can commend the work of the Bank and its related institutions. Its past achievements are solid and enduring. Its future prospects are encouraging indeed, and I want to welcome all new and prospective members of the Bank and IDA represented here today.

I think we can say without qualification that the Bank has become a vital instrument for preserving a peaceful and orderly world and for promoting the advancement of mankind toward higher plateaus of material and spiritual well-being.

STATEMENT BY THE HONORABLE JOHN M. LEDDY, ASSISTANT SECRETARY OF THE TREASURY AND TEMPORARY ALTERNATE GOVERNOR OF THE BANK AND FUND FOR THE UNITED STATES, AT THE IFC ANNUAL DISCUSSION

It gives me great pleasure to join in paying tribute to Robert Garner, our distinguished president and good friend, as he approaches his retirement next month from the presidency of the International Finance Corporation. Robert Garner is the pioneer of the IFC. It was his wise leadership which guided this novel institution through its critical early years of experimentation in an untested field.

We all know how difficult his task has been. From the beginning the IFC has been handicapped by the limitation in its Articles of Agreement prohibiting the Corporation from investing in capital stock. Happily this prohibition has now been removed with the approval last month of an amendment to the Articles of Agreement. The large favorable vote on the amendment, reflecting approval by 88 percent of the governors and 94 percent of the total voting power, is due in no small measure to the unceasing efforts of President Garner to make the IFC a vital and progressive institution. We extend to him our admiration, our warm thanks and every good wish for the future. To Eugene Black, the new president, and to Martin Rosen, who holds the newly created office of executive vice president, we offer our full cooperation and our hopes for every success in steadily enlarging the role and influence of the IFC in furthering private enterprise in the developing countries.

Despite the serious restrictions in its charter, the IFC has succeeded in making 45 business investments in 18 member countries for a total of almost $58 million. Of this total, over $13 million represents five commitments entered into during the last 3 months, signifying a sharp increase in activity.

The IFC is the only intergovernmental financial institution established solely for the purpose of investing directly in private enterprise in the developing countries. And for each dollar of IFC money several additional dollars of private money have gone into enterprises in which the IFC has invested. Thus, we estimate that total investment generated by the IFC has been in the neighborhood of $200 million.

Since IFC's total authorized capital of $100 million is relatively small, it is especially important for the IFC to replenish its funds by selling its investments in completed projects to private investors. So far the Corporation has been able to make little progress in this direction, mainly because the prohibition against investment in capital stock has forced the Corporation to utilize devices such as convertible debentures, stock options, and contingent interest arrangements which are complicated, little known and not readily marketable in the developing countries. Now that the Corporation has been authorized by the new amendment to invest in capital stock, including common shares, we have every reason to hope that it will be able to sell its portfolio much more readily and thus truly revolve the limited capital at its disposal.

The new amendment, while enabling the Corporation to invest in common stock, does not permit it to participate in the management of private enterprise except to protect its interests in cases of default or jeopardy. It is the hope of the United States that the need for exercising this protective power will be rare. We are sure that the officers of the Corporation have no desire or intention that it intervene in operations which are properly within the domain of private management.

The Corporation now has greater flexibility to take full advantage of the opportunities open to it for stimulating private investment and enterprise. We are confident that it will move forward vigorously in carrying out its important tasks.

In closing, may I extend a warm welcome to our new members—we look forward to a close association with them in the work of the Corporation which lies ahead.

Committee on Interstate and Foreign Commerce Summary of Major Legislative Activity, 1st Session, 87th Congress

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EXTENSION OF REMARKS
OF
HON. OREN HARRIS
OF ARKANSAS
IN THE HOUSE OF REPRESENTATIVES
Wednesday, September 27, 1961

Mr. HARRIS. Mr. Speaker, pursuant to section 136 of the Legislative Reorganization Act of 1946, Public Law 601, 79th Congress, and House Resolution 108, 87th Congress, I should like to submit a summary of the major legislative accomplishments of the Committee on Interstate and Foreign Commerce for the 1st session of the 87th Congress.

During the 1st session 583 House bills and resolutions were referred to the committee, one of which was rereferred to the committee having legislative jurisdiction over the subject matter. Twenty-eight Senate bills and resolutions were referred to the committee. Total referrals for the 1st session were 583 House bills and resolutions and 28 Senate bills and resolutions. This year 15 were enacted into public law, 2 were approved by the House but not acted upon in the Senate, and 4 remained on the House Calendar on the adjournment of the 1st session of the 87th Congress.

After the committee was organized in late February, the first order of business was consideration of an amendment to the Food and Drug Act to permit the continued use of certain food additives and pesticide chemicals which have been in commercial use since January 1, 1958, until the necessary investigations and scientific studies now in progress can be completed and regulations adopted to provide final assurance of the safe use of these additives and chemicals (H.R. 3980). The bill passed the House and Senate and is now Public Law 87-19. A complete explanation of the bill is contained in House Report No. 53, filed March 3, 1961.

Extension of unemployment and sickness insurance benefits to railroad workers who had exhausted their existing compensation was approved. This action was taken to provide temporary unemployment insurance benefits similar to those provided for workers in other industries—H.R. 5075, House Report No. 54—Public Law 87-7.

Under section 510 of the Transportation Act of 1958 the Interstate Commerce Commission was given authority to guarantee loans to railroads for capital expenditures. That section terminated on March 31, 1961, and after public hearings the committee approved a bill (H.R. 1163) to extend for 15 months the loan guaranty authority of the Interstate Commerce Commission—House Report No. 65, filed March 7, 1961.

The Senate companion bill provided for a longer extension and after a con-

ference, the loan guaranty authority was extended for 27 months—Public Law 87–16.

Hearings on H.R. 4614 and 15 similar bills were conducted by the Subcommittee on Commerce and Finance in March and April of this year. The general purpose of the bills is to promote friendly understanding and appreciation of the United States by encouraging foreign residents to visit this country. The measure further provides for establishment in the Department of Commerce of a U.S. Travel Service headed by a Director. S. 610, a companion bill, the International Travel Act of 1961—became Public Law 87–63. A complete explanation of the bill is contained in House Report No. 323, filed May 1, 1961.

The administration's proposal to assist in expanding and improving community facilities and services for the health care of the aged was embodied in H.R. 4998. The major features of the legislation included authorization for increased appropriations to States and local communities in providing adequate public health services. It would also authorize appropriations for studies, experiments, and demonstrations of new or improved methods of providing health services outside hospitals. The bill also provides for an annual increase from $10 to $20 million for Federal grants-in-aid to the States for construction of nursing homes.

The committee held hearings on H.R. 4998 early in May and the bill was subsequently reported—House Report No. 599—with amendments. It passed the House and was further amended in the Senate. A conference committee resolved the differences in the bill and the President signed it on October 5—Public Law 87–395.

Further attention was given to the more efficient operation of the Federal Communications Commission. H.R. 7856 amends the Communications Act of 1934 so that the Federal Communications Commission will be able, by making better use of its own time and more effective use of its experienced and technically qualified personnel, to handle its large workload of adjudication cases with greater speed and efficiency than is presently possible. Thus, it is hoped and believed that these changes in law will enable the Commission to devote more of its time to major matters of policy and planning involving issues of general communications importance.

When the bill was considered in the House, the language of H.R. 7856 was incorporated in S. 2034, a companion measure which had already passed the other body. A conference committee was able to reach agreement and S. 2034 is now Public Law 87–192. A detailed explanation of the bill is contained in House Report No. 723, filed July 17, 1961.

At the request of the President of the United States, the chairman of the committee introduced a bill to carry out the administration's program for development of public airports by making an additional $375 million available over a 5-year period. Following public hearings before the Subcommittee on Transportation and Aeronautics and after careful consideration, except for the change in the method of financing the Federal-aid airport program, there was no major change of a substantive nature in the administration's proposal as reported—House Report No. 728—from the committee in H.R. 8102.

The language in the House bill prohibits the Federal Aviation Administrator to enter into contracts obligating Federal funds in advance of appropriations as the means of furnishing Federal aid to airports. In the future, the Administrator will be required to obtain appropriations before obligating Federal funds. The Senate bill (S. 2268) made no such change in the method of financing the airport program.

After the Senate and House had passed different versions of the legislative proposal, and a conference committee failed to reach agreement, the House proposed a further amendment providing for a 3-year program, incorporating the new method of financing. The Senate agreed to this and H.R. 8102, as amended, received Presidential approval—Public Law 87–255.

The Interstate Commerce Commission also suggested legislation to authorize it to delegate to three-man employee boards the function of reviewing recommended orders entered in cases in which hearings have been held (H.R. 6716).

After hearings by the Subcommittee on Regulatory Agencies a revised bill (H.R. 8033) was introduced and reported from the committee—House Report No. 750, filed July 20, 1961. The House and Senate approved the measure and it is now Public Law 87–347.

House Joint Resolution No. 438, authorizing $750,000 for the Securities and Exchange Commission to make a study and investigation of the rules of national securities exchanges and national securities association was enacted—Public Law 87–196.

The committee feels that the investigation and study called for under House Joint Resolution No. 438 is needed in order to maintain public confidence in the securities markets and to be informed as to whether at this time, in the light of changed market conditions, the investing public is afforded the protection which was envisaged in the passage of the Securities Act of 1933 and of the Securities Exchange Act of 1934. A detailed explanation of the measure is contained in House Report No. 882.

A series of acts of a criminal nature committed aboard aircraft dramatically underscored the need for legislation to extend Federal criminal laws to certain crimes occurring on board aircraft in air commerce. The provisions of H.R. 8384 are based on the use of criminal sanctions as a deterrent to the commission of criminal acts, such as aircraft hijacking, murder, manslaughter, assault, and carrying concealed deadly or dangerous weapons.

Hearings were held on H.R. 8384 and related bills by the Subcommittee on Transportation and Aeronautics. After extensive executive consideration, the committee revised and incorporated new language in H.R. 8384. The committee approved the amended bill—House Report No. 958, filed August 16, 1961—and the House inserted this language in S. 2268. The Senate concurred in the House amendment and the Senate bill became Public Law 87–197.

Legislation to establish a program of Federal matching grants for educational television facilities was again introduced and considered by the committee. The Subcommittee on Communications and Power held hearings on bills designed to speed up the process of getting educational television stations on the air so that the American people, children—as well as adults—in schools, colleges, and universities—as well as in their homes—may have the benefits of this new and important educational medium.

H.R. 132, after having been amended by the committee, was reported to the House—House Report No. 999—and is presently pending on the Union Calendar.

In order to rectify certain inequities and discrepancies in favor of the social security system as against the railroad retirement system, a bill (H.R. 8597) was introduced and passed which amends the Railroad Retirement Act, the principal feature of which is to permit male railroad employees with less than 30 years of creditable service to retire at age 62 on a reduced annuity. (S. 2395 became Public Law 87–285.)

The committee approved a bill to amend part II of the Interstate Commerce Act concerning registration of State certificates whereby a common carrier by motor vehicle may engage in interstate and foreign commerce within a State—House Report No. 1090. The Senate companion bill (S. 320) was reported from the committee and is presently pending on the House Calendar.

H.R. 5978, amending section 202(c) of the Interstate Commerce Act, was also reported by the committee—House Report No. 1116. This bill provides for partial exemption from the provisions of part II of the Interstate Commerce Act of terminal area motor carrier operations performed by or for common carriers by water in interstate commerce subject to the Shipping Act, 1916, and the Intercoastal Shipping Act, 1933. This bill is also pending on the House Calendar.

The Civil Aeronautics Board, as part of its legislative program, recommended that it be permitted to grant limited certificates to supplemental air carriers. The proposal was incorporated in H.R. 7318.

After careful consideration by the full committee and the Subcommittee on Transportation and Aeronautics, substitute language was drafted to give the Board some, but not all, of the authority requested by it. The amended bill was reported to the House—House Report No. 1177, filed September 13, 1961—and the language contained in it was substituted for the text of S. 1969. The amended Senate bill is now awaiting further action by that body.

The committee conducted public hearings on bills to prohibit the shipment in interstate or foreign commerce of articles imported into the United States from Cuba. Subsequently, H.R. 8465, as amended, was approved by the committee—House Report No. 1182, filed Sep-

tember 14, 1961—and passed the House. The Senate did not act on the measure prior to the adjournment of the first session.

S. 1186, which amends the act of June 13, 1906—stamping of gold and silver articles—provides that if a manufacturer or dealer applies a quality mark to the gold or silver article, he must also apply a trademark, duly registered, to the article so that he may be identified.

The Subcommittee on Commerce and Finance held public hearings on S. 1186 and a companion bill, H.R. 5442. The Senate bill, with technical amendments, was approved by the committee—House Report No. 1190, filed September 15, 1961—and the House. The Senate agreed to the House amendments and S. 1186 became Public Law 87-354.

The committee also reported a bill (H.R. 2429—House Report 727, filed July 18, 1961) which later became public law, which would supplement existing Federal criminal laws in order to provide more effective deterrents to the willful destruction or damage of the property moving in interstate or foreign commerce—Public Law 87-221.

The committee considered and approved S. 1440—House Report No. 1181, filed September 14, 1961—a bill to amend the act of July 14, 1960, establishing a national register of names of certain motor vehicle operators. The purpose of the amendment to existing law is to enable additional States to participate in the national driver license program. The House passed the Senate bill without amendment—Public Law 87-359.

At the request of the Department of Commerce, a bill was introduced and approved which provided for an extension of the provisions of title XIII of the Federal Aviation Act of 1958, relating to war risk insurance—H.R. 7341. The Senate bill—S. 1931—became Public Law 87-89. A detailed explanation of the bill is contained in House Report No. 567, filed June 22, 1961.

The Secretary of Commerce asked for authority to appoint an additional Assistant Secretary of Commerce to serve as his principal adviser on scientific and technological matters and his draft bill to accomplish this was introduced by the chairman of the committee—H.R. 6360.

Hearings were held by the Subcommittee on Commerce and Finance and the bill was subsequently reported to the House without amendment—House Report No. 885, filed August 10, 1961. At the close of the first session the bill was pending on the House Union Calendar.

In addition to the bills which the committee reported to the House during the 1st session of the 87th Congress, public hearings were held on communications satellites, milk sanitation, sales below cost and cease and desist orders, Civil Aeronautics Board legislative recommendations, amendments to War Claims and Trading With the Enemy Acts, hardwood labeling, drug advertisements, and hours of operation of daytime radio stations. These subjects will receive further consideration by the committee during the second session of the present Congress.

Rockefeller on Rails

EXTENSION OF REMARKS
OF
HON. ALEXANDER PIRNIE
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 27, 1961

Mr. PIRNIE. Mr. Speaker, the following editorial, entitled "Rockefeller on Rails," appeared in the Baltimore Sun of September 12, 1961. Its favorable comment upon the Governor's plea for a three-way merger of the Chesapeake & Ohio, Baltimore & Ohio, and the New York Central system merits the attention of this House. Every Member concerned with improving the railroads' ability to serve the public interest should consider this proposal carefully:

ROCKEFELLER ON RAILS

In one sense Governor Rockefeller's testimony before the Interstate Commerce Commission was a plea for inclusion of his own State's railroad, the New York Central, in any combination involving the Baltimore & Ohio and the Chesapeake & Ohio. This is a position which any Goverernor in a similar position would take. The Central is on its uppers, with a deficit of $28 million in the first 7 months of this year. The road, which has an annual payroll of $156 million, represents 40 percent of all the trackage in New York State. It has been hard hit by competition from the St. Lawrence Seaway as well as by the general economic decline. It desperately needs the financial relief which some kind of affiliation with the C. & O. alone or the C. & O. and the B. & O. in combination might bring.

This is the parochial case. But the Governor of New York went on to make a general case which should command respectful attention not only by the ICC but by the public at large. As he pointed out, nearly all the eastern railroads are in severe difficulties. It is in the public interest to save not only one or two of them but to insure that the rail net as a whole survives. A thorough reexamination of the relationships among all forms of transportation is necessary—and in the meantime it is in the national interest to permit the rails themselves to combine to achieve increase economy and efficiency.

The Governor's—and the Central's—preferred solution would be a three-way merger. Understandably, the B. & O. and the C. & O., pushing their own proposals for a two-way combination, have reacted coolly. They are right in pointing out the tremendous financial burden that inclusion of the Central would bring—and noting that B. & O. stockholders, looking to their own financial well-being, voted overwhelmingly to accept the C. & O. offer rather than Central's. But the views of the owners are not the only concern. The situation confronting the railroads as a whole is so grave today that the public interest must have careful consideration. It may well prove to be the deciding factor.

In this highly complicated and technical field, this public interest may, perhaps, be served by approving a speedy B. & O.-C. & O. combination, to provide some form of relief to Balimore's road, and putting off the question of Central's participation for subsequent consideration. But even if this is true, no immediate steps should be taken without a clear idea as to how it will fit into the pattern ultimately to be worked out. Governor Rockefeller's plea was more than a partisan presentation of his own State's case. It was a solid statement of the long-term problem.

Effect on Colorado Mines of H.R. 84, Lead and Zinc Subsidy Bill

EXTENSION OF REMARKS
OF
HON. JOHN A. CARROLL
OF COLORADO
IN THE SENATE OF THE UNITED STATES

Wednesday, September 27, 1961

Mr. CARROLL. Mr. President, the Congress has passed H.R. 84, a bill to authorize limited subsidy payments to small producers of lead and zinc. This bill represents at least partial success of the efforts made in this session to bring some measure of relief to this industry.

As chairman of the Minerals, Materials, and Fuels Subcommittee of the Senate Interior Committee, it was my privilege to report favorably S. 1747. This bill, which I cosponsored with my colleague and chairman of the full Interior Committee, Senator ANDERSON, and others, combined a tariff-subsidy program along the general lines of the Wool Act. The duties to be imposed on foreign imports would have financed the subsidy payments to domestic producers who qualified under the provisions of the bill.

After the Interior Committee favorably reported S. 1747, the Senate Finance Committee asserted its jurisdiction because of the tariff provisions of the bill. This committee also reported S. 1747, but only after deleting title III relating to tariffs.

The language of H.R. 84, passed earlier by the House, is identical with the subsidy title of S. 1747. At this point, the Senate was faced with the choice of a bill authorizing limited subsidies—or no bill at all. It was agreed that the small producers were in very dire circumstances and it was better to pass the subsidy bill in this session and work for relief by way of the tariff in the next session. H.R. 5193, the Baker bill, designed to impose import duties on lead and zinc, was reported unanimously by the House Ways and Means Committee in the closing days of the session. It will be pending business when the Congress reconvenes in January.

During the course of the committee consideration of this legislation and since the bill reached the House and Senate floors, there has been considerable discussion and some disagreement as to the effectiveness of H.R. 84. In order to obtain the most accurate, current data possible from my own State of Colorado, I asked the director of the State department of natural resources, Dr. Ed Clark, to furnish me with a report of the mines in Colorado which could benefit from H.R. 84. This report, prepared by G. A. Franz, Jr., director of the Colorado Bureau of Mines, is comprehensive and explicit and I am confident it will prove valuable to the mining interests in the State as it has to me in analyzing this legislation. I ask unanimous consent to insert the report in the RECORD.

There being no objection, the report was ordered to be printed in the RECORD, as follows:

Lead-zinc mines in Colorado

County	Mine name	Operated during the years as indicated by X					Development	Crude production (tons per year)	Mill capacity (tons per day)	County total
		1956	1957	1958	1959	1960				
Boulder	Caribou	X	X		X		X			
	Comstock	X						100		
	White Raven	X					X			
	Blue Bird		X		X	X	X			
	Occidental		X	X			X			
	Western Slope		X				X			
	Boulder County Tunnel			X			X			
	White Raven			X	X		X			8
Chaffee	Dumpite	X					X			
	Josephine	X					X			
	(K.O.) Burlington	X					X			
	Stonewall	X	X		X		X			
	Tilden	X					X			
	Tom Collins	X					X			
	Sitting Bull		X			X	X			
	Gold Eagle				X	X	X			8
Clear Creek	Ashland	X		X	X	X		100		
	Bald Eagle		X	X	X	X		10,000		
	Cosmopolitan	X					X	10,000		
	Dixie	X	X	X	X	X				
	Forge Hill	X	X							
	Franklin	X	X	X	X			300		
	Grizzly	X					X			
	Joe Reynolds	X						200		
	Johnny Bull	X	X				X			
	Keast Tunnel	X	X	X			X			
	Nabob	X					X			
	Red Elephant	X	X				X			
	Zero	X					X			
	Ashby		X				X			
	Bard Creek		X				X			
	Bellve Hudson		X	X			X			
	Big Five		X		X	X		800		
	Freeland Extension		X					100		
	Nevada Tunnel		X				X			
	Freighters Friend			X		X		100		
	Hot Pot				X		X			
	Marshall Tunnel					X	X			22
Dolores	Rico Argentine	X	X	X	X	X		30,000		
	St. Louis			X	X	X		100		2
Eagle	Morning		X				X			2
Gilpin	Carroll	X						100		
	Cherokee	X						100		
	Cliff	X					X			
	Enterprise	X					X			
	La Cross	X	X	X	X	X		1,000		(1)
	Lone Star	X					X			
	Pied Piper	X					X			
	Spring Day Extension	X	X	X			X			
	Williams Tunnel	X	X				X			
	We Got Em	X	X	X	X	X		100		
	Widdow Woman	X					X			
	Hayes & Wheeler		X	X	X	X		100		
	Meeker Success		X	X				100		13
Gunnison	Akron	X					X			
	Daisy	X	X				X			
	Gold Lynx	X	X	X	X	X		200		
	Hawkeye	X					X			
	Keystone	X	X	X	X	X	X		500	
	Star X-10-V-8	X	X	X	X	X		500		
	Micawber		X	X	X	X		1,000	100	
	Hot Rock	X	X	X	X	X	X			
	Carter				X		X		100	9
Hinsdale	Gold Quartz	X	X				X			
	Pelican	X			X	X		200	50	
	Rodney	X					X			
	Pride of America		X	X			X			
	Resorgimento			X			X			5
Jackson	Cap Rock	X					X			1
Lake	Big Four	X						1,000		
	Bi-Metallic	X						1,000		
	Hayden	X	X					1,000		
	Helena	X	X					2,000		
	Ibex	X	X					2,500		
	Irene	X	X					3,000		
	Julia Fiske	X	X					2,000		
	Resurrection	X						100,000	500	
	Yak	X				X	X			
	Little Alice		X				X			
	Lucky Five		X				X			
	Eureka			X			X			
	Gordon Tiger			X	X	X	X			
	Tom Thumb			X			X			14
La Plata	Knoll	X					X			
	Bessie G		X		X	X		500	50	
	Brawner		X	X			X			
	Muldoon		X	X	X	X		50		
	Farmer Boy		X		X		X			
	Lady Eleanor			X	X	X	X			
	Neglected				X	X	X			7
Mineral	Gormax	X					X			
	Monon	X	X	X		X		1,000	100	
	Outlet	X	X	X	X		X			
	Phoenix	X			X	X	X			
	Holy Moses		X	X						(7)
	Jack Pot					X	X			8

Lead-zinc mines in Colorado—Continued

County	Mine name	Operated during the years as indicated by X					Development	Crude production (tons per year)	Mill capacity (tons per day)	County total
		1956	1957	1958	1959	1960				
Ouray	Brown Mountain	X	X	X				500		
	Camp Bird	X	X	X	X	X		30,000	500	
	Greyhound	X	X	X			X			
	Keystone	X					X			
	Pony Express	X	X					200		
	Treasury Tunnel	X	X	X	X	X		(Over)		
	Monarch		X	X		X		500		
	Rouville		X	X	X	X	X			
	Revenue			X			X			
	Old Lout		X				X			
	Bachelor				X	X	X			
	Wewissi				X	X	X			12
Pitkin	Kris Kringle	X					X			
	Smuggler	X					X			
	Montezuma					X	X			5
Park	Buckskin Joe		X				X			
	Champagne		X				X			
	Hill Top		X	X				200		
	Betty					X	X			4
Rio Grande	Summitville	X				X	X		200	
	Mamouth		X							2
Saguache	Bennett	X					X			
	Bonanza	X					X			
	Cliff	X	X					400		
	Jupiter	X	X				X			
	Navajo	X					X			
	Queen City	X					X			
	Rawley 1 to 12	X	X	X	X	X		3,000	200	
	Warwick	X	X			X	X			
	Whale	X					X			
	Wheel of Fortune	X	X				X			
	Antero	X	X	X	X	X		10,000		
	D & J (Bonito)		X	X			X			
	Jenny		X	X	X		X			
	Lookout		X				X			
	Paragon		X				X			
	Marine Lode				X	X	X			16
San Juan	Black Hawk	X		X	X	X	X			
	Caledonian	X					X			
	Chattenoga	X					X			
	Gold King	X		X	X	X		12,000	400	
	Lark	X	X		X			2,000		
	Lead Carbonate	X					X		100	
	Little Dora	X	X		X	X	X			
	London	X					X			
	Longfellow Shaft	X	X			X	X			
	Mogul	X					X			
	Mountain Queen	X						500		
	Norma Jean	X					X			
	Oceola	X	X	X				1,000	150	
	Pride of the West	X		X		X		8,000	150	
	Ruby	X					X			
	Silver Cloud	X		X	X		X			
	Silver Ledge	X					X			
	Terry Tunnel	X		X		X	X			
	Auburn		X							
	Garry Owen		X	X			X		150	
	Kansas City			X	X		X			
	Shenandoah				X	X		(1)		
	Columbus					X	X			
	Brooklyn			X	X	X	X			24
San Miguel	Andrus	X			X	X	X			
	Bradley	X					X			
	Preston Moore	X					X			
	San Juan	X				X	X			
	Silver Pick	X	X				X			
	Badger		X				X			
	Carbenero		X		X		X			
	New Dominion			X			X			
	North Slope			X	X	X	X			
	San Bernardo			X	X	X	X			(11)
	Slide Mine				X		X			12
Summit	Big Four	X	X	X	X			300		
	Boss	X					X			
	Chatequa	X	X				X			
	Green Mountain Girl	X					X			
	Maid of Orleans	X					X			
	Meteor Tunnel	X	X					600	100	
	Minnie	X			X		X			
	National Treasure	X					X			
	New York	X	X	X	X			700	(2)	
	Wellington	X	X	X				700	100	
	Silver Wing		X					600		
	Shoe Basin		X	X	X	X		1,000		
	Blue Flag		X				X			
	Alliance		X	X	X	X	X			
	Gagen Tunnel				X		X			
	Washington					X	X			16
	Total eligible that have operated during the years 1956–60.							185		

[1] Use Gold King mill.
[2] See Meteor mill.

NOTE.—Total not eligible because of production in excess of 3,000 tons, combines metal, 3 (Eagle mine, Eagle County; Amethyst-Commodore, Mineral County; Pandora, San Miguel County).

Dancing Backward on the New Frontier

EXTENSION OF REMARKS
OF
HON. RALPH HARVEY
OF INDIANA
IN THE HOUSE OF REPRESENTATIVES
Wednesday, September 27, 1961

Mr. HARVEY of Indiana. Mr. Speaker, under leave to extend my remarks, I would like to include an address by the Honorable CHARLES A. HALLECK, the dean of our Indiana delegation in the Congress and the distinguished minority leader in the House of Representatives.

This address, assessing the record of the first session of the 87th Congress, and of the new administration during the same period, was delivered at Muncie, Ind., on September 25, 1961.

Mr. HALLECK's speech follows:

Fellow Republicans and disillusioned Democrats.

Maybe it's too much to expect that we would have some members of the opposition present at a Republican fund-raising dinner—but the way things have been moving I'm not so sure.

Because—and make no mistake about this—a lot of people in this country have really had their eyes opened in the past 8 months—and getting your eyes open is the first step to becoming a good Republican.

The first session of a Democrat-controlled Congress under the leadership of the so-called New Frontier is over—for which we can all give thanks—and in assessing the accomplishments I am reminded of the story of the small boy who asked his playmate if he knew the difference between men and women.

The other lad thought it over for a minute and then said, "I guess the big difference is that women dance backward."

I don't want to oversimplify, but let me pose a few questions.

How do we go forward toward peace by fumbling in Africa, in Laos, in Geneva, in South Korea and in Cuba?

How do we arrive at a new frontier of real prosperity by dancing backward to the discredited spending sprees of some 30 years ago?

How do we go forward with sanity in government—balanced budgets—protecting the value of your dollar and mine—with a hope for tax reductions, when the Democrats insist on saddling the hard-working citizens of this country with billions more of debt?

You know, usually when you make a prediction in this business you stick your neck out a country mile. Well, I made a prediction early this year that was just about as foolproof as a prediction could be—

I said publicly that no matter what the Democrats did or didn't do—that they would break faith with a lot of good Americans who thought they knew what they were voting for last November.

Why did I say that?

Because if you take a hard look at the Democrat platform and all the campaign promises, it's obvious they couldn't possibly keep half of 'em.

They promised to spend new billions and yet they promised to balance the budget.

Well—they're spending the new billions all right.

Talk about the space age. Spending is headed for the moon.

But the Democrat promise of a balanced budget fizzled on the launching pad.

They promised vast new programs that would lead us all to the Utopia of a New Frontier.

But they also promised to protect the dollar.

They promised quick action to remodel the face of the Nation—whatever they meant by that.

But they also promised to be "thoughtful" in their deliberations—(like they thought out the "Tractors for Cuba" deal, I suppose).

They promised something for everybody—but at the same time they called on the American people for sacrifice.

I must say that what they may have had in mind as far as "sacrifice" is concerned is getting more ominous every day.

Some of our reservists and National Guardsmen are finding out the hard way.

So—having such contradictory promises in mind, I pointed out that half of the people who voted for the Democrats were going to wind up disenchanted.

Only, I didn't know it would happen so soon.

Believe me, the accomplishments of 8 years of sound, sane, firm Republican leadership under Dwight D. Eisenhower are looking better all the time.

In fact, I've never been happier to be a Republican.

We told the truth.

We fought clean and hard throughout the campaign, standing on principles of sound, sane government, and there we continue to stand.

We didn't make promises we couldn't possibly keep so we have nothing to take back.

And by the same token—I've never been happier that I'm not a Democrat.

I'd hate to be out here tonight trying to explain to a Democrat audience the difference between the Democrat record of promise and the Democrat record of performance. As my old friend, Senator Jim Watson, used to say, "If their platform had the measles, their performance wouldn't catch 'em." It's never been close enough.

They captured the Presidency.

They've got a solid 3-to-2 majority in the House of Representatives and a 2-to-1 majority in the Senate.

They packed the House Rules Committee to suit themselves.

The Democrats were all set to ride roughshod over anybody that got in their way.

But what happened?

Let's take a look at a few major items, foreign and domestic.

Many hard things were said by the Democrats during the campaign about the state of the Nation's defenses—some that should never have been said for the good of the country, because they didn't happen to be true.

Mr. Kennedy couldn't resist downgrading the power and majesty of America to the point that I wonder how much of it Mr. Khrushchev really believed.

Candidate Kennedy said, among other things, that we "must work to rebuild our rapidly deteriorating defenses."

It must have come as a surprise to some of his well-meaning supporters when the Department of Defense announced last month that we had a stockpile of atomic weapons to meet any threat of aggression. That, in fact, our stockpile was from three to eight times as big as Russia's.

Look, folks, that stockpile hasn't come into being in the last 8 months.

You just don't build the modern weapons of war overnight.

No, the truth of the matter is, that under President Eisenhower this country's defenses were the greatest in history—and a lot of work had been done to protect the old homestead before the New Frontiersmen took over.

Then there was the matter of prestige. We were told nobody liked us any more.

"Rebuilding our prestige must be the primary concern of our next President," is the way Candidate Kennedy put it.

I need mention only one word to indicate the progress we have made in that direction under the New Frontier: Cuba.

And wouldn't you know that one of the administration spokesmen tried to blame that fiasco on the Republicans. Well, they couldn't make it stick.

As part of this prestige business, Mr. Kennedy told the country this:

"Senior positions in the State Department, the Foreign Service, and the Defense Department shall be filled by the best talent available in both parties."

So we wind up with Acheson, Berle, Bowles, and Batt.

And he sends that great expert on foreign affairs—"Soapy" Williams—to represent us in Africa.

"Soapy" couldn't even keep Michigan from going broke.

Don't get me wrong:

Republicans in the Congress have stood with the President—by and large—on matters involving our relations with other countries.

The conduct of foreign affairs is his responsibility under our Constitution, and, realizing the gravity of the world situation today, we have, time and again, expressed our determination to support decisions made by the Chief Executive as fellow Americans—once these decisions are made.

I do want to make it clear that the Republican leadership had no part whatsoever to do with the decision to spring an invasion in Cuba. We were called in only after it was obvious that the whole operation had turned sour.

But we have supported the President on his indications of a firm stand on Berlin.

This only we ask: that our foreign policy remain firm and consistent—as it was under President Eisenhower.

We have supported requests for more defense spending but must insist that we not be led into a program of overspending in this area.

We have, in a word, put country above party in foreign affairs, even at times when some people thought perhaps we should have been a lot more critical.

And as we have met a responsibility to close ranks in the face of a common foe, Republicans in the Congress have also met a responsibility to the American people in opposing vigorously policies and programs on the domestic front which we have firmly believed not in the best interests of the country.

Mr. Kennedy gave all kinds of proposals top priority during the campaign. The people of this country were assured a lot of problems were going to be taken care of immediately.

One concerned agriculture. The Democrats were going to achieve 100 percent of parity for the farmers, cut production, bring lower prices to the consumer and save as much as $2 billion a year for the country.

That was the glowing promise.

This is the sorry record:

A loss to corn farmers because of a Department of Agriculture dumping program that has cost—and is costing—farm producers of the Middle West millions and millions of dollars.

A multimillion-dollar program to create a corn shortage which isn't going to come about.

Livestock, poultry, and dairy industries disrupted because of depressed prices.

And what's more, prospects are that the worst is yet to come in the years ahead.

I got a form letter from the Secretary of Agriculture a couple of weeks ago.

Among other things he assured me taxpayers were going to save a lot of money on reduced storage costs.

I've got news for Mr. Freeman, in case he hasn't been reading the papers. New stor-

age facilities are going up all over the place—I would assume with the approval of the Department of Agriculture.

Obviously, somebody is going to be disenchanted.

Now the experts are estimating that the Democrat-sponsored farm legislation is going to cost the country a billion dollars a year more instead of less—and create new problems for agriculture in the process.

Remember all the talk by Mr. Kennedy about giving labor a $1.25 minimum wage bill if he was elected?

You will recall that Republicans supported a $1.15 bill under President Eisenhower. It would have become law more than a year ago except that Mr. Kennedy, then a Senator, blocked it. He wanted a campaign issue.

Well, we passed a minimum wage bill this year that provided for $1.15 starting the first of September. Every worker who comes under the provisions of this act should understand that he could have had this 15-cent increase more than a year ago—as proposed by President Eisenhower and supported by Republicans generally, except for Mr. Kennedy's opposition.

Passage of the bill was hailed as a "great victory" for President Kennedy, even though the increase to $1.25 won't come about for another 2 years at the earliest.

Let's look at another firm Democrat pledge.

Last November Mr. Kennedy stated flatly:

"In 1961 a Democrat Congress, under the leadership of a Democrat President will enact a bill to raise teachers' salaries."

Also, he said, "One of the first items on the Democratic agenda in 1961 is the passage of an adequate bill for school construction."

I wonder what excuses they're going to give for failing on this one.

The Democrats can't blame anyone but themselves.

First, a Democrat-packed Rules Committee refused to report out a monstrosity that had the administration's blessing.

Then, in desperation, the Democrat leadership patched up a bill that nobody liked—not even the National Education Association. So most of the Democrats voted against their own proposal.

But I must say this: the failure of Congress to go along with the Kennedy administration on this issue was a major victory for public education in America.

The same thing may be said for the refusal of Congress to act on another major Democrat promise for the immediate enactment of a progress of medical care for the aged through social security.

This promise died in a Democrat-controlled committee, never seeing the light of day.

But there was plenty of activity in the first session of the 87th Congress which should give every citizen interested in sound government cause for deep concern.

It was the old story of "dancing backwards"—back to the spendthrift ways of the New Deal and the Fair Deal—of big spending programs on the home front that the country doesn't need and—in this day of increasingly heavy defense burdens—are downright dangerous to the well-being of our economy.

Overy strenuous Republican protests, this Democratic Congress whooped through a housing program beyond anything that could be justified.

It passed a sewer bill that goes far beyond the purpose of water pollution control—a program that is going to increase the size of Federal bureaucracy, add to the public debt and contribute to the dependence of local communities on money from Washington.

The country can thank Republicans in the Congress that the Democrats didn't go further than they did in committing your hard-earned dollars for years to come.

We held firm for safeguards in a depressed areas bill that wound up a far cry from the extreme proposals put forth by the Democrats early in the session when they would have put virtually every county in the country in the breadline category.

We stood our ground against repeated attempts by Democrats to undermine control of the purse strings in Congress by resorting to back-door spending, which simply means going directly to the U.S. Treasury for borrowed money.

This Republican insistence that the administration come to the Congress year by year for its funds can, and I predict will, save the taxpayer of this country billions of dollars in the years ahead, if we can continue to hold the line.

This points up the importance of electing more Republicans to the Congress next year.

The record we have made, in spite of our minority position, has established Republicans in the Congress as the country's first line of defense against attack on our economy and our system by the wild-eyed spenders and radicals who want to remodel America in the pattern of socialism or something worse.

Make no mistake about this: The 1st session of the Democrat 87th Congress, under the leadership of a Democratic President, has been the most spendthrift Congress in history.

Instead of an $80 billion balanced budget as presented by President Eisenhower, we have wound up with an $88 billion budget, with prospects for a $90 billion budget dead ahead.

This is the record of fiscal irresponsibility of a party whose chief spokesman, President Kennedy, said during the campaign:

"I believe the next administration should work for a balanced budget and that would be my intention."

So we wind up the first 8 months from $7 to $10 billion in the red.

How many millions of disenchanted taxpayers does that add up to?

The same candidate who insisted on unprecedented spending on aid programs told the people of this country last September:

"I see no magic to tax dollars which are sent to Washington and then returned. I abhor the waste and incompetence of large-scale Federal bureaucracies."

I wonder how many more voters are now disenchanted by the fact that some 100,000 new employees have been added to the Federal payroll since the start of the New Frontier?

It was Candidate Kennedy who said during the campaign:

"No expert in the Nation's Capital knows as much about a community's local problems and how to meet them as its local businessmen and officials. Too much government is just as much a threat to our liberites as too little government."

But it is President Kennedy who is pushing now for a new Department of Urban Development of Cabinet status that would create a vast new bureaucracy to meddle in local affairs from parenthood to parking spaces.

It was Candidate Kennedy who promised, "We Democrats do not intend to devaluate the dollar from its present rate. We will defend its value and its soundness."

It was Candidate Kennedy who assured millions of Americans in retirement that "I would protect those who are on fixed incomes. I am thinking particularly of those on social security."

Now the Democratic-managed Department of Labor has had to announce the biggest jump in the cost of living to hit the American consumer in years.

This is more dancing backward by the same Democrats who pledged to the Nation they would protect the purchasing power of your dollars.

I could go on and on documenting the disparity between the Democrat record of pledges to the American people and their failure to keep those pledges.

But someone might say—well, after all, this is politics—and shrug it off.

So let's forget particulars from here on out and look at the broad picture.

I'm glad I'm a Republican because the people of this country are now comparing the kind of leadership we enjoyed for 8 years under a Republican President—Dwight D. Eisenhower—with what we've got now.

And what they see isn't doing the Democrats a bit of good, believe me.

Any fair-minded citizen—and a vast majority of Americans are fair minded—now realizes that the Democrats inherited a country that was out in front by any valid standard you want to apply.

We had the greatest military power the world has even known.

We had the most productive economic system.

We had the broadest personal freedoms of any people on earth.

America—all up and down the line, was stronger and more promising than it was when Republicans took the helm in 1953.

Under President Eisenhower's steady hand we enjoyed 8 years of peace.

The country had confidence that we would win through in any showdown—come what may.

And let me make myself crystal clear on this point: it is my fervent hope that in the weeks and months ahead this new administration will match the Eisenhower administration for firmness of purpose.

I say this in all sincerity because if President Kennedy succeeds in achieving what is best for the country, then we all succeed.

But all of us know that the Nation today is in a serious crisis.

The overshadowing issue is our national survival as a free people.

Our goal must continue to be—as it was under a Republican President—winning the cold war and preventing the spread of militant communism over the world.

To sum up what I have been saying, let me point out that in this fight to win the peace three major factors are involved.

First is the wisdom and vigor of our leadership.

On this score the acid test is yet to come.

But history has demonstrated that a free people will rally behind a leadership that inspires confidence in its purpose—Republicans and Democrats alike.

Stephen Deactur said, "My country, may she always be right—but my country, right or wrong."

As Republicans we want our country to be right—we want our leadership to be right—and we will stand shoulder to shoulder on this.

We had an earlier crisis over Berlin—President Eisenhower stood firm and Mr. Khrushchev backed down.

We ask only that our new President show the same resolution in the days ahead.

The second factor in our survival as a free people, and our ultimate victory in any war, cold or hot, lies in the posture of our military defense.

We know now, by Democrat admission, that they were pointing a false finger of suspicion at the state of our defenses during the last campaign.

The truth is that we were strong—strong enough to deter the Russians from whatever aggressive designs they had in mind.

The truth is, that in spite of miscues on the part of the new administration since the first of the year, the greatest consolation to the American people has been the knowledge that we are not weak—thanks to the foresight of Dwight D. Eisenhower.

May I say this: even the appalling "goofs" haven't been enough to precipitate an attack against us.

This the American people are beginning to realize and that's another reason why I say the Republican record is looking better all the time.

The third, but not the least important factor in preserving our free way of life, is the maintenance of a strong, dynamic economy.

This involves establishing a healthy climate for free enterprise—giving the individual American a chance to make the most of the opportunities that have always been the real incentive for progress under our system. And it also involves protecting the value of our money.

It was General Eisenhower who once said, "The military is but the cutting edge of the great productive economic machine that is America."

This we must never forget because it is the wonderful, free way of life we are seeking to preserve.

In 8 years of Republican leadership we did establish a better climate for free, private enterprise. We did go forward to create new opportunities for individuals.

We did encourage initiative and self-reliance among our people as against the strength-sapping policies of paternalism we had labored under for so many years of the New and Fair Deals.

And we did protect the value of savings accounts, annuities, and wages by holding down the cost of living for every citizen.

But what are the Democrats doing to keep our economy sound?

They are claiming that the Democrat Congress enacted 75 percent of the administration's program. That happens to be baloney.

But I will say one thing:

This has been the most spendthrift Government in history.

They are spending you silly.

The only checkrein has been the hardy Republican minority—outnumbered as we are—who fought with more success than we could hope for, to stem the spending tide.

The people of America can thank their lucky stars—and Republicans—that the Democrats weren't able to get away with a lot of their extravagant schemes.

But don't think they won't be back trying next year.

They never give up.

And in that fact lies the Republican challenge.

We must fight harder than ever before to expand the beachhead of sanity in Government we are now holding in the Congress. We need a Republican majority.

To do this we must keep our eyes on 1962—emphasizing first things first.

By winning through in 1962 we will set the stage for Republican victories all up and down the line in 1964.

With the kind of loyal, dedicated folks I see here tonight we will get the job done.

You know, I keep thinking of the threat from Khrushchev that our grandchildren will be living under socialism.

Let us give him the lie with a resounding Republican victory.

Let us get into this fight with a renewed determination that in years to come all people who choose to stand with us shall live in freedom.

Tourism Now, Not Coal

EXTENSION OF REMARKS

OF

HON. JOHN A. CARROLL

OF COLORADO

IN THE SENATE OF THE UNITED STATES

Wednesday, September 27, 1961

Mr. CARROLL. Mr. President, Senators have heard me speak before of the vigorous and enterprising manner with which the city of Trinidad is meeting its economic difficulties.

This town, in south central Colorado, has a long and a colorful history. The Spanish Conquistadors passed through this region. The old Santa Fe Trail ran down the main street of Trinidad. Kit Carson stole a horse here and Bat Masterson was once town marshal.

For many years Trinidad was a prosperous city dependent upon coal mining for its livelihood. Since World War II it has suffered a severe economic reversal.

With the decline of the coal industry only one mine remains open. Trinidad must look to other fields for its livelihood.

The city has been active and forward-looking in its attack on its economic problems. Its citizens have joined together in efforts to bring new life and new industry to the city.

Any listing of these men by me would be incomplete, for almost every citizen has contributed his support to these efforts. Among the leaders are State senator from Trinidad, Dr. James Donnelly, State representative Phillip Massari, Mayor James E. Griffin, City Manager Ben Veltri, and Jim Couey, chairman of the Trinidad Planning Commission and executive director of the area redevelopment committee.

I have worked closely with these men in my efforts to insure that Trinidad would qualify for assistance under the Area Redevelopment Act.

In late July, I was pleased to be able to inform the citizens of Trinidad that their town and county would be eligible to receive the technical assistance and funds that are available under this program.

I have now been informed that the area's overall economic development plan has been approved by the area redevelopment administration.

It is a sign of vigor and determination of Trinidad that her plan is among the very first over the whole Nation to receive approval. This action means that the county, local governments, development groups, and individual enterprises within the county, are now eligible to submit specific applications for loans and grants under the distressed areas program.

Under the provisions of this program the community plans to retrain 600 unemployed men; to continue planning in detail for industrial development; and to develop new tourist facilities in the areas near Fisher's Peak and the still-incomplete Purgatoire River Dam.

Officials of the area redevelopment administration have assured me that steps will very soon be taken to launch this retraining program.

Trinidad is fortunate in having a historic past and a perfect climate, together with exceptional scenery. These serve to give the town an unusual tourist and recreational potential.

There is a growing movement among Trinidad citizens to seek national recognition for its nearby historic and scenic Fisher's Peak. It has been suggested that a national park or monument be established to commemorate those pioneers who crossed the foothills of this beautiful peak, as they trod the old Santa Fe Trail.

I have written to Secretary of the Interior Stewart Udall urging him to give this proposal the consideration it so obviously deserves.

Mr. President, one of the last bills to receive congressional approval this session, the Public Works Appropriations Act, contains an item of considerable interest to south central Colorado and to the city of Trinidad.

Construction of the Trinidad Dam and Reservoir on the Purgatoire River was authorized in Public Law 500 of the 85th Congress, passed in 1958. I was, at that time, a member of the Senate Public Works Committee which originated this measure.

I am pleased that this year we were able to obtain $205,200 for survey and construction planning on the Trinidad Dam by the Corps of Engineers and the Bureau of Reclamation. Since I have been in the Congress, I have worked for the construction of this project. This year's action brings us closer to our goal.

An obstacle in the path of the construction of this $20 million project has been the need for water users and members of the local conservancy district to perfect their repayment commitments toward the project.

I am told that encouraging progress is being made toward accomplishing the repayment agreements.

The $205,200 we have appropriated here today will bring us close to completing the necessary surveys, planning, and design. I am hopeful that next year the Congress will be considering construction money for this project.

The Trinidad Dam is a worthy project which will give vital flood protection, supplemental irrigation water, and recreation facilities to an economically depressed community.

Mr. President, an excellent survey of of the Trinidad story was recently published in the Denver Post. Trinidad is gathering momentum and is moving ahead. The vigor of this movement has been well recorded by Mr. Bert Hanna and I ask unanimous consent that this article be included in the RECORD at this point.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

TOURISM NOW, NOT COAL—TRINIDAD PULLING SELF UP LOOKING TO NEW DAYS

(By Bert Hanna)

TRINIDAD, COLO.—Here near the New Mexico border where flows the romantic "El Rio de Las Animas Perdidas en Purgatorio" an economically distressed community is making a brave and gallant effort to pull itself up by its own bootstraps.

An energetic, ambitious group of young civic leaders is pushing to fruition several projects for better utilization of resources and for transition to a new type of economy that may recapture the days of prosperity.

There are big new water development programs in the making.

There is a new area redevelopment program in the master planning stage.

There are soil conservation and flood control measures planned or in progress.

There is confident talk of a future golden harvest of tourist dollars from development of a vast, exciting and unexploited recrea-

tional area sweeping from the lofty Sangre de Cristo and Spanish Peaks area and picturesque foothills into the Fisher's Peak country and the route of the Old Sante Fe Trail.

There are dreams of the possible establishment of a new national park, of acquisition of lands for park purposes, of a new road across Whisky Creek Pass to connect this area with the San Luis Valley, of improved municipal facilities to attract new residents, industry, and tourists.

All these things are designed to replace an economy long based on coal production in what once was one of the richest coal mining regions in the United States.

The coal is still here in immense quantities, but the industry is as dead as last year's autumn leaves. Great numbers of miners on diminishing unemployment compensation steadily depart from a community that can no longer support them.

And everyone now admits that coal cannot be revived in the foreseeable future or produce any appreciable reemployment. There is only one coal mine now in production in the Trinidad region—the Allen Mine of the Colorado Fuel & Iron Corp. employing around 600 men—contrasting to a day in the past when as many as 8,000 to 10,000 workers were employed in scores of coal operations.

Moreover, new automation techniques have reduced the necessity for much manpower, even assuming that new uses may be found for coal.

The new goal of Trinidad and Las Animas County—fourth largest county in area in the United States—is to forget about coal and the old abandoned mine shafts in communities that are largely ghost towns, and find a new horizon.

And Trinidad has plenty to sell in its program of attracting new residents and tourism.

As pointed out by the hard-driving city manager, Ben Veltri, Mayor James E. Griffin, and a corps of zealous coworkers on the city council and in business, there is no place in Colorado or in the West with a more colorful history or a greater recreational potential, a finer climate.

The new hopes and ambitions of community leaders and never-say-die spirit evident in the clean appearance of the city and newly painted homes cannot obscure the fact that Trinidad is sick. As a designated distressed area eligible for assistance under the urban redevelopment program, it certainly needs a shot in the arm.

Some of the current programs and goals:

1. Construction of the long-sought and congressionally authorized flood control and irrigation regulation dam across the Purgatoire River above Trinidad, a stream once named by the Spaniards "the River of the Lost Souls in Purgatory."

2. Increase of municipal water storage in North and Monument Lakes some 36 miles west of Trinidad from streams flowing off Trinchera Peak in the scenic Culebra Range of the Sangre de Cristo Mountains. This, in turn, would benefit the promotion of a new recreational area for fishing and boating.

The North Lake project is slated to start next spring, helped by a State appropriation of $87,000 which Governor McNichols obtained. The plan would enlarge the lake capacity from 1,090 acre-feet to 4,200 acre-feet.

Ultimately, the plan calls for increasing the combined storage of North and Monument Lakes from about 3,000 to 10,000 acre-feet.

3. Completion of authorized flood-control projects of the U.S. Soil Conservation Service involving the control of floods in two arroyos running into Trinidad, one the Fisher's Peak Arroyo and the other Carbon Arroyo.

Often, torrents from these draws, have undermined or wrecked buildings in the heart of the city through inadequate outlet facilities. This project involves two small dams.

4. An all-out campaign for designation of the Fisher's Peak country immediately to the south of Trinidad as a new national park—or at least a national monument to those intrepid pioneers and explorers who trekked across the old Santa Fe Trail.

The dominant feature in this landscape, Fisher's Peak, is a wilderness area abounding in mesas, canyons and streams to form an extraordinary scenic wonderland, extending into the Ratoh country on the New Mexico side.

TOURED AREA

The Trinidad city manager took a Denver Post reporter-photographer team on an exhausting jeep tour of this area, as he did on a trip to the top of Trinchera Peak the next day.

Deer jumped across the jeep trails ahead of the vehicle. We ran into a flock of hundreds of wild turkey. There are bear in the canyon escarpments and even antelope, sage hens and some grouse, along with excellent fishing on the western side.

The peak, named after Capt. Waldemar Fisher, an officer of General Kearney's Army of the West, now is largely owned by the Colorado Fuel & Iron Corp. and other private interests which might be prevailed on to contribute land for a new national park, in Veltri's opinion.

Across the foothills of this great mountain there meandered the oxen-drawn covered wagons of the 1850's, the frontiersmen of the old West, who followed the paths of Spanish conquistadors seeking the Seven Cities of Cibola, and paid toll to Uncle Dick Wooten, trapper and scout.

Here was the locale of such as Kit Carson, once caught stealing a horse in Las Animas County; Bat Masterson, one-time marshal of Trinidad and many other legendary western figures.

Trinidad as a frontier outpost can be said to be more than 100 years old, although it was not established as a townsite until 1876.

The Santa Fe Trail ran right down the main street of the present town. What other city or town in Colorado can boast of such history?

Indeed, says a study of the Trinidad master plan of the future prepared by Sam Huddleston, a Denver planning consultant, "Trinidad's history, particularly as it pertains to the Santa Fe Trail, is a resource of great value.

"In combination with its location in an area of great scenic and recreational attraction and on main transportation lines, the history itself is a prime economic asset."

DAM SOUGHT

All students of Trinidad's problems are agreed that the main thing that would really prime the economic pump would be the construction of the $27 million Purgatoire Dam. Besides controlling disastrous floods that often have created chaos in Trinidad as late as 1955, it would buttress the agricultural economy of Las Animas County.

It would also provide much needed employment in the area.

Direct benefits of the Purgatoire project would be reduction of flood damage on existing property estimated at $275,000 annually and an increase of a half-million dollars in land values by removing the threat of inundation, the Huddleston study shows.

At the moment, the project is involved in some difficulties over water rights, including early rights to ditches such as the Model Dam and Reservoir and ditches further downstream where the Purgatoire joins the Arkansas River.

The dam wouldn't create much new water for agriculture, but it would enable better utilization of that water over a season besides creating a flood control impoundment.

The reclamation features of the project are in the hands of the U.S. Bureau of Reclamation and flood control under the Army Corps of Engineers.

There are other plans and projects in the works, sparked by the enthusiastic leaders who refuse to see such a great community drift into Limbo. The plans include an improved water distribution system and a new sewage system to complement the municipal gas and light system.

Such leaders are Veltri; Mayor Griffin; councilmen, Orlando Salas, John Cha, Ruben Tapai; Rotary Club president, Don Frush; Jim Couey, chairman of the Trinidad Planning Commission and executive director of the area redevelopment committee; State Representative Philip Massari and State Senator James Donnelly.

Trinidad is not dying, they insist. It is just being reborn.

You ought to go there some day. Not just out of curiosity for an old and tired mining camp. But to explore the scenery and take a long look at the history, romantic background, and the beautiful twin Spanish Peaks, named by the Indians—"Huajatolla"—or "Breasts of Mother Earth."

Final Report of the 1st Session, 87th Congress

EXTENSION OF REMARKS

OF

HON. WILLIAM E. MINSHALL

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 27, 1961

Mr. MINSHALL. Mr. Speaker, after 9 months of work, the 87th Congress finally hung up its "adjournment" sign on the 1st session. Not since 1951, during the height of the Korean war, has Congress met at such length. It was a record-breaking session, too, for number of bills enacted. Some 360 new public laws were added to the statute books, nearly 4 times the number passed by the Founding Fathers during the entire First Congress, 1789–91. Whether this Congress 173 years later has substituted quantity for quality is up to history—and the taxpayers—to decide. With all this lawmaking activity, the 87th Congress finds itself with a heavy carryover of legislation to come up for final decisions in the 1962 session: medical care for the aged, the Du Pont stock divestiture bill, postal rate increases, compensation for service-connected disabilities. But it is difficult to imagine another session matching the 1961 windfall of major laws.

NATIONAL DEFENSE

Defense budget request of $42.9 billion was boosted by $3.7 billion for a peacetime high of $46.6 billion. On top of this, Congress responded to the President's plea for additional funds by giving the military another $13 billion for aircraft, ships, and missiles.

Military construction of nearly $900 million was approved for construction and improvement of military projects at home and overseas, including missile sites and nuclear submarine bases.

Moon-orbiting funds were boosted in the $1.7 billion authorization for the National Astronautics and Space Administration's 1962 program. Research on solid and nuclear propellants also were included.

Civil and Defense Mobilization became the Office of Emergency Planning, by congressional action, following the President's transferral, under existing law, of civil defense operations to the Department of Defense.

Atomic Energy Commission funds of $270 million were authorized for construction projects.

FOREIGN AFFAIRS

Foreign-aid funds of $4.2 billion were voted after spirited battles in both Houses of the Congress. After lengthy debate, the Congress agreed to retain control of the foreign aid pursestrings through annual review and appropriation methods, but granted the administration power to program development loans on a 5-year basis, plus a generous contingency fund for use at the President's discretion. In separate action earlier in the year, $500 million was appropriated for Latin American aid, as well as $100 million for Chilean disaster relief.

The Peace Corps was established as an independent agency subject to policy guidance by the Department of State, with an initial authorization of $40 million.

U.S. Arms Control and Disarmament Agency was created to operate under the President and the Secretary of State to search for workable, bilateral means of ending the arms race.

Admission of Red China to the United Nations was unanimously opposed in resolutions adopted by both the House and Senate.

Immigration of alien orphans to the United States for purposes of adoption was granted permanent status.

Duty-free goods returning Americans may bring back from abroad were reduced from $500 to $100 in value in an attempt to stem the flight of gold.

Tourist travel in the United States hopefully will be encouraged by creation of a U.S. Travel Service in the Department of Commerce.

DOMESTIC AFFAIRS

Interstate and defense highway completion as scheduled by 1972 seems assured with authorization of $11.5 billion. The Federal apportionments for primary, secondary, and urban programs was upped to $1 billion annually. Federal gas and diesel tax rates were set at 4 cents per gallon, and levies were raised on tires, tubes, retread rubber, and on heavy trucks and buses.

Minimum wage stepups over the next 5 years to $1.25 per hour were granted to workers already covered by Federal law and to an additional 3.5 million employed people.

The Area Redevelopment Administration was created in the Department of Commerce to make loans and grants for industrial plans and public facilities in economically distressed area.

Hijacking and other crimes committed on airplanes involved in interstate or foreign commerce were made Federal offenses.

The Securities and Exchange Commission was directed to investigate adequacy of rules and regulations of stock markets.

Small Business Administration borrowing authority was raised to $1.1 billion, including $725 million for regular business loans.

Social security benefits were expanded; minimum monthly old-age payments were raised; widows' benefits increased; disability provision liberalized, and provision made for male workers to draw reduced benefits if they choose to retire at age 62. At the same time, the tax on workers and employers was raised by one-eighth of 1 percent on each.

Aid to federally impacted school areas was extended for another 2 years, through June 1963, and the National Defense Education Act was continued for another year.

Vastly expanded housing was approved, authorizing liberalized term for low- and moderate-income family dwellings; urban renewal; open-spaces development in cities; college dormitory construction loans; 100,000 new units of public housing; community facilities.

Juvenile delinquency came on the Federal horizon with an authorization of Federal grants of $10 million a year for 3 years to help communities and nonprofit agencies finance projects to combat the problem.

The Civil Rights Commission was extended for another 2 years to September 30, 1963.

Veterans' home loans were extended to World War II veterans to July 26, 1967, and for Korean conflict veterans to February 1, 1975. An additional $1.2 billion was authorized for the direct loan program through 1967.

Water pollution control was increased by $52 million for construction and operation grants to State and interstate agencies each year, and a sliding-scale formula lifting the 30-day limitation on Federal grants was adopted.

Saline water conversion projects were given a 6-year lease on life under the Department of the Interior with a $75-million authorization for that period.

A supplemental appropriation bill carrying a whacking $1.13 billion was added to the regular 1962 appropriation for the operation of the agencies and departments of the Government. This was the expensive swansong of Congress before adjournment.

If I have failed to touch on any particular legislation which interests you—or if you wish further information on the laws I have summarized, please do not hesitate to let me know.

American Samoa Happy and Prosperous Under U.S. Government

EXTENSION OF REMARKS

OF

HON. THOMAS H. KUCHEL

OF CALIFORNIA

IN THE SENATE OF THE UNITED STATES

Wednesday, September 27, 1961

Mr. KUCHEL. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD an article entitled "American Samoa Happy and Prosperous Under U. S. Government."

There being no objection, the article was ordered to be printed in the RECORD, as follows:

AMERICAN SAMOA HAPPY AND PROSPEROUS UNDER U.S. GOVERNMENT

(By Napoleon A. Tuiteleleapaga)

Recent articles about American Samoa, "Forgotten Colony," April 9, Washington Post, and "Samoa, America's Shame in the South Seas," July's Reader's Digest, not only placed the Samoan people in the category of the ingrates and expose them to the ridicule of their fellow men in Western Samoa under New Zealand, as well as other neighboring countries, but also caused undue criticism of the U.S. Government and throw mud on the faces of its officials concerned.

Now and then a frustrated American, unable to cope with the conditions in his city or State, or because he has been disappointed by his own failures, decides to travel to the South Sea Islands, to cool off and to find comfort among the islanders. There, in order to find friends on his side, to make the people like him, with an eye to free meals and entertainment and a treasure of native curios, starts on a campaign of lecturing on the principles of modern government, what aids they should get, and as to what they should do to acquire these aids and privileges. Then, depending on the swing of the pendulum, he would climax his indoctrination with a promise to go to Washington and see that the people get what they needed. But, unfortunately, instead of going to Washington, or writing to the authorities concerned, he writes about conditions he thinks actually existed, or about what was told him by people who either did not fully understand the situation, or had words put in their mouths, thus giving the world a false impression and distorted conception of the island affairs. Consequently, instead of helping the people, as promised, he depicts them as still in their primitive stages in health and education, blames the chiefs for not being wise to what is going on, and also blames the local authorities and criticize the high command, its departments, and officials, for neglect of their obligations and responsibilities.

To correct such false and misleading information, as well as to give a true picture, the writer, a full-blooded Samoan, born and raised in the islands, and worked for the government under both administrations (Navy and Interior), submits the following facts to refute the assertions contained in the aforementioned articles, and to prove that the United States of America and its departments concerned have never failed in the performance of their duties in connection with their relationship with the government and people of American Samoa.

PLEDGE KEPT

The United States, since 1900, when the American flag was raised over the islands, has kept its pledge to see that people maintain their customs and culture and to secure their lands. Both the Navy and the Interior Departments have tenaciously adhered to the laws and policies concerning this pledge, despite the efforts by the people themselves to sell their lands. For this the Samoan people and outsiders who are interested in them are grateful to the United States for, if that sacred pledge had not been kept, the people would, like the Guamanians, the Hawaiians, and other places in the South Seas, be paying rent on their own lands. It is because of this sacred pledge that the United States, though fully aware of the difficulty in the operation of the government in its many phases due to conflict between the Matai system and the Constitution, has not enacted any laws or set any policies that might weaken that system.

During the administration of the Navy, for 51 years, the naval officers and enlisted men, despite the vast difference in customs and usages, had to overlook and undergo the many inconveniences to conform with the customs and culture. When the Interior took over, 10 years now, the officials and employees thereof carried on the example set by their predecessors.

HEALTH AND SANITATION

The author of "Samoa, Shame of America in the South Seas," referred to rutty and teeth-jarring over-water outhouses as marring and befouling beautiful Pago Pago Bay. I wonder why he failed to make a mention of the well-kept sanitary latrines built and maintained under the supervision of both the Public Works and Public Health Departments. He did not even make a mention of the modern toilet facilities in private homes. There are even septic tanks. Besides, practically every family has its own outhouse, which are kept always clean and sanitary, not only because of public health regulations, but also because of family rivalry and competition. In Samoa no chief, or family, wants to be excelled.

Neither the United States nor the Interior Department is to be blamed for the condition of over-water outhouses, inasmuch as it is the responsibility of the respective districts, counties, villages, and families. The U.S. Government does not pay for sanitation projects of the individual States, and neither does a State pay for such projects for its counties and cities. What would happen if the Federal Government starts financing all the inherent projects of every State and each county, city, and village?

The people of American Samoa have been most happy and prosperous under the American flag. In 1900 the population was only 5,769; in the last census taken in 1960 the figures zoomed to more than 20,000. This indicates a high birth rate.

When the Navy took over in 1900, the doctors and the whole naval population shuddered at the sight of children and some adults in every village covered cap-a-pie with tona, or yaws, a tropical disease known to some medical authorities as syphilis. Equally hideous was the sight of hundreds of men and women with large (enlarged) arms and legs, victims of the dreadful mumu, or elephantiasis. The malady also affected the male scrotum and the female breasts. Acute conjunctivitis, trachoma, partial or total blindness, were in galore. At present, a most scrutinizing examination would fail to discover a single child with yaws; and very few adults have the mumu or total blindness, except in those cases where the person afflicted has failed to report to the hospital or dispensaries, or refused to accept medical treatment.

The doctors are able and efficient, some of them are specialists. Assisted by well-trained and experienced Samoan medical practitioners and a staff of highly trained nurses, American Samoa has every right to be proud of its medical services. Many doctors in the United States who have been in Samoa, or who have had the opportunity of working or employing Samoan graduate nurses here in America, would not hesitate to commend on their versatile ability and dependability, though more on the practical than theoretical—the reason is plain.

I doubt that the small staff of doctors and technicians is to be blamed entirely on the Interior Department or the local authorities. The Government pays the doctors higher salaries than in some of the communities in the United States, Canada, and New Zealand. Besides, the local medical jobs are steady; and the pay does not depend on the number of patients admitted or cases treated. In addition, the doctors receive additional compensation from the incentive pay plan. Therefore, if a doctor declined to accept a job in Samoa, it would not be the pay, but for personal reasons, political or professional.

ROADS AND GOVERNMENT BUILDINGS

Both the Navy and the Interior have seen to it that the roads are kept in the best of condition. However, heavy seasonal rains, the daily dashing of the waves against the foundation of the roads, other climatic circumstances, and limited funds, make it impossible to maintain the condition desired. Compared to the roads in Fiji, some parts of New Zealand and western Samoa, and some country roads in the United States, the roads in American Samoa stand high.

As compared to the government buildings in Western Samoa, Fiji, and some in the United States, that are either dilapidated or needed painting, the buildings of the Government of American Samoa are very neat, strong, durable, and attractive: Take the Fita Fita Barracks now occupied by the police department, the enlisted men's barracks occupied by the legislature and the finance department, the post office, the supply department, and the customhouse. All of these are concrete buildings, devised and constructed to cope with the weather and climatic conditions. In its money-saving policies, the government does not deem it necessary to give these buildings a coating of paint every year. Besides, experts and economists do not judge exteriorly but interiorly. In regards to the hospital, American Samoa, according to several medical officers, American and European, who have been to American Samoa, has the best hospital in the South Pacific. The beds are always sufficient to accommodate the population—some of the outlying dispensaries, five in number, have beds. However, like anywhere else, more beds are needed in case of an epidemic.

AGRICULTURE

Nowhere in the world do the largest, sweetest, and most delicious bananas grow but in Samoa. Without scientific knowledge the people plant and nurse their crops: Banana, taro, breadfruit, yam, and coconut, with amazing success. Besides the marvelous work of nature, both the Navy and the Interior, in their desire to see the people have ample food, made rules and regulations concerning the planting and cleaning of plantations. The Agriculture Department, headed by a Samoan chief with a large experience in the field of agriculture and who also acquired his general education in the United States, not only give oral and written lessons in the modern ways of planting, but also make weekly inspections of the plantations. In addition, the district governors, county chiefs, pulenuus (mayors), and village councils, make their own laws enforcing planting and cleaning.

In regard to plant diseases and insects, the combined efforts of the Interior and the local government have seen to it that appropriate chemical and natural cures are procured to remedy the situation. However, even in the United States, the land of scientists and experts in agriculture and agronomy, problems dealing with insects and plant diseases still exist, and worse than American Samoa.

As to the decline of the coconut tree, neither Washington nor the local authorities should be blamed. Natural chemical activities and biological changes in the soil, enhanced by damage done by the coconut beetle, are the cause of this condition. Ever since the advent of the coconut beetle the authorities and chiefs have closely cooperated in their efforts to exterminate this pest. Laws were enacted and enforced; contrivances and traps made and used, but to no avail. Unfortunately, no chemical or scientific device could be found to rid this nuisance. The Samoan people are still doing their best to save their pride and mainstay, but what could they do if the natural obstacles enhanced by modern forces of evil—laziness, dependence on the market, pursuit of white-collar jobs, and constant visits to John Barleycorn—intervened and keep them from searching for the beetle as required by law? How could Congress and the Interior be blamed for the fault and failure of the individual planter?

EDUCATION

It is most unfortunate that the author of "Samoa, America's Shame in the South Seas," has picked Tafuna School as an example, for the schools in American Samoa. Tafuna is a village with only one original family, and though recently inhabited by several families from various parts of both Samoas, it still has a population of not more than 60. This type of negative exaggeration and false representation, as the author did, is not only a blow to the Department of Education and source of shame for the chiefs and people of American Samoa, but also exposes Washington to undue criticism.

Based on population and teaching facilities, American Samoa has a higher percentage of literacy as compared to some of the localities in the United States, to say nothing of other countries.

All along the bay area and throughout the villages there are American-type school buildings, built with concrete or timber and roofed with galvanized iron; the plans and construction are drawn and supervised by the public works department, subject to the approval of the director of education and sanction of the governor. All these schools have benches and desks; Poyer School and the high school have stateside desks. All public and private schools have all the equipment and paraphernalia the schools in the United States have, though they may not be as up to date and adequate.

Throughout American Samoa several villages adjoining each other have one school. They make plans, raise funds, and work together in all matters concerning the maintenance of their school and welfare of the children. Tafuna, because of its isolated location and small population—only 21 schoolchildren—is an exception. However, the conditions in Tafuna School are far from what the author had described. This particular school has blackboards. The children have desks made by themselves or by their parents.

Yes, the floor is covered with white pebbles and shells from the beach, but the children do not sit on them. They sit on strong mats woven from the leaves of the pandanus. Twenty-one primary pupils under 1 teacher is nothing compared to some schools in Europe and America, where up to 30 or more upper-grade students are under 1 teacher. About lunch, each child brings his own to school. Never in the history of the schools of American Samoa was lunch cooked and eaten together. Ninety percent of the children go home to eat lunch, inasmuch as their homes are within the radius of 10 to 20 yards from the school.

No local person can teach in the public schools without a teacher's certificate, signed by the principal of the Teachers' Training School, countersigned by the director of education and approved by the Governor. A large number of the teachers are graduates of the high school, where 85 percent of teachers are Americans with teacher's certificates from their respective State school boards. True, the pay of the Samoan teachers is small; however, based on logical grounds, the pay is tantamount to the individual's work. Several local boys and girls who have graduated from various colleges in the United States teach in the high school.

INTERIOR DEPARTMENT'S OBJECTIVES

The author further states that "the Interior Department, while promising 'progressive development toward self-government,' and the attaining of 'maximum possible self-

support,' it pledges continuance of the archaic and now fading Matai system—one aim obviously nullifies the other."

The Interior Department is fully aware of the fact that the matai system is a hindrance to the progress of the government in connection with lawmaking and administration of justice, as well as policies and plans leading to self-government, and would like to do away with it. However, doing so would not only violate the sacred pledge to preserve the customs and culture, but would also displease the chiefs who, through the legislature on their own accord, continuously petition both Congress and the Interior to honor and perpetuate the system. Repealing the matai system at this time would be just like dehorning a bull at his prime.

However, the Interior has failed entirely to carry out two main objectives, which failure has caused the chiefs and the people, as well as outsiders who are interested, to doubt the sincerity of the Department and its officials. Whether this failure is the fault of the authorities in Washington or the local officials, is a matter of conjecture.

One of these is the obvious reluctance of the authorities concerned to employ local men for jobs they are able to manage. Instead they either hire people from outside of American Samoa or continue to renew the contracts of non-Samoans, despite individual protests, and resolutions passed by the legislature. This act on the part of the Governor, who has the prerogative to hire, renew, or terminate, invites suspicion and disgust; and the only reason for this act, as rationalized by the suspicious and wondering people, is friendship, favoritism, and nepotism, or a desire of Washington to spend their taxpayers' money on their own kin. This situation is beyond reason, inasmuch as it has been proven on several occasions that locals, who had been trained by Navy experts and C.B. technicians and specialists (during World War II) are able to manage the jobs concerned—and maybe better. As an excuse, the Governor and/or the authorities concerned hide behind a utopian technicality: no background; no college degree. But do all the non-Samoans who are holding jobs that local Samoans can very well do have college degrees? Thus, if the Interior Department officials in Washington or Samoa want to wait until the Samoans have earned college degrees, it would mean that the people would have to wait until the reincarnation of Abraham Lincoln before they are able to operate their own government and manage their own affairs. Another excuse is, the Samoans are not honest and trustworthy and do not have the integrity. True, a few employees have been dishonest and indiscreet, but why take them as a criterion? Since immunity is developed by taming the virus, so is honesty and faithfulness by giving the individual responsibility. The mistakes and shortcomings of the former will be the beacon light for the latter (employees). Therefore, this policy of not using the local men who are able to manage the jobs concerned, not only denies to the people the right to operate their own government and develop responsibility and reliability, but also is a violation of the promise made by the Interior.

The other failure is discrimination in pay. "* * * shall maintain a wage structure and conditions of employment which are consonant with the advancing social and economic conditions of the territory," is the last paragraph of the heading, "Economic Advancement" (objectives and policies).

The average Samoan is conscious of the fact that his brother American may have the education or qualification that he lacks, though he may have more practical experience, speaking of local jobs. He is equally cognizant—and is always reminded—of the maxim, "Give a man the worth of his work." In this connection the people often wondered why the pay of the Samoan employees are much lesser than that of the Americans, inasmuch as local employees who do professional or quasi-professional work, such as medical, dental, supervisory, and accounting, or clerical, perform practically 75 to 90 percent of such work; and their cost of living is much higher, according to local conditions. This is so disappointing and disgusting that a large number of our medical and dental practitioners, graduate nurses, schoolteachers and bookkeepers, and heavy machine operators, have reluctantly left their jobs and homes to find solace and equal treatment in Honolulu or the United States. In this respect the Interior is directly responsible for the loss of trained employees, as well as for the gradual though steady decrease in population due to the weekly departure of American Samoans, as above mentioned.

In fixing the pay status for the Virgin Islands the Interior considers items of food and clothing, and the difference in purchasing habits of the workers with urban wage earners. On what conditions is consideration based in fixing the pay status for American Samoa?

All government employees, because of the nature of their respective jobs, and the obligatory chores required of them by their denominations, societies, families, and villages, do not have the spare time to plant any of the native crops; thus have to buy all their native food from the market. All other items of food, such as canned meat and fish, salt beef, rice, bread, sugar, etc., are purchased at the local stores at a very high price. Their work (not including the engineers, plumbers, mechanics, and laborers) requires them to wear good and clean clothing. Their political and social status among their villages and communities require them to have everything for the care and support of their matais (head of families), relatives, missionaries, the entertainment of transient chiefs and their retinues, as well as malagas or large visiting parties, who usually stay for weeks. To meet this demand, they have to get refrigerators, stoves, radios, and whatnots. Also, under Samoan consuetudes, these employees, upon the failure of individual concerned, are required to pay for the taxes and fines of their brothers, sisters, cousins, and in-laws. They stand by for the family church contributions, pay for the hospital bills upon failure of relatives concerned, and to help a widow and (her) children of a brother or an in-law. Last, but not the least, these wage earners have very large immediate families themselves, ranging from 7 to 14. Worse still, 90 percent of the men employees are matais, either chief or talking chief, which aggrandizes their responsibilities. Let the reader figure out for himself this amazing high cost of living as compared with the very low salaries with an average of $50 for 2 weeks. Compare this to the conditions in the Virgin Islands.

If the Federal Government, under the Organic Act of June 22, 1936, contributed $9,711,424 for a period of only 3 years, and authorized appropriations not to exceed $11 million, for the development of economy and insuring the welfare of the people of the Virgin Islands; and the Interior Department in 1956, under the Revised Act of 1954, made the development and promotion of tourists the main activity (of the Virgin Islands), Congress can surely authorize appropriations, even one-quarter of the contributions to the Virgin Islands, for the development of the economy and welfare of the government and people of American Samoa.

Apropos of the whole situation, the assertions herein made concerning the failure or errors on the part of the authorities concerned are not to be construed as those of the present administration, but of the past; and the Samoan people look upon the present administration with hope and confidence, not only for the fulfillment of the Interior's objectives and policies, a better understanding and harmonious cooperation, but also for congressional Democratic help to aid us "do-it-yourself," and to prove to the world that our forefathers did not misplace their trust, or acted under any duress or misrepresentation, when they ceded the islands of Tutuila and Manu'a to the U.S. Government.

NOT A FORGOTTEN COLONY

The author of "Samoa, a Forgotten Colony," not only made an entirely wrong and misleading statement, but his article is a misnomer. In the first place, American Samoa is not a "colony." It is a U.S. possession, or protectorate, and it has never been forgotten, not even once.

Scarcely a year passes by without a visit to American Samoa by Members of Congress, or officials from either the Army, Navy, State, or Interior Departments. And neither has American Samoa been forgotten or left out intentionally in the outright grants and Federal aids.

The Federal Government supports the office of the Governor and a central government staff, the legislature and all its employees, as well as the judicial department. Congress appropriated $10,000 for the relief of the Manu'a people (easterly islands of American Samoa) after the hurricane in January 1915 had entirely demolished their houses and plantations. Congress again appropriated $11,000 for repairs to and reconstruction of island government buildings, roads, and schools, after the hurricane of January 1926. During and after the hurricanes, famines, and epidemics, which ravaged and spread during the following years, Congress and the people of the United States sent financial, provisional, and medical aid for the Samoan people.

Comparing the United States with New Zealand the author of "Samoa, a Forgotten Colony" said, "And, while the United States was dozing New Zealand went ahead with plans to grant self-government this October to western Samoa. * * *" The editorialist obviously admires New Zealand administration, but seems to forget that New Zealand's administration of western Samoa all has not been always well and quiet during the 40 years since New Zealand took over the islands from Germany. The chiefs and their people were so discontended that political turmoil and misunderstanding between them and the New Zealand Government and among the chiefs themselves prevailed over western Samoa for quite some time, and which led to quarrel and fighting and even bloodshed. Then, in 1918–19, the bells tolled for nearly 8,000 deaths, resulting from an epidemic of influenza spread throughout all the islands and villages of western Samoa. All this happened while the people of American Samoa were happily basking under the shadows of Old Glory waving high over their evergreen mountains and golden beaches. Furthermore, on several occasions, New Zealand had failed to supply the people with adequate medical care. As a result, western Samoans sought advice and treatment in American Samoa; our hospital and dispensaries were open to them. Whether it be a major or minor operation, a maternity or psychoneurotic case, the cost is always 25 cents a day. Does it then sound or look like a "forgotten possession"?

However, to be honest and fair to New Zealand and to our fellow brothers in western Samoa, American Samoa has not been without a period of political disturbance, but, fortunately, however, this period of unrest was the work of a frustrated American who, for selfish and exploitative reasons, disguised under "a traitorous" wish to help the people. Nevertheless, this was soon straightened up by the able management of the Navy. Things went back to normal; the frustrated and traitorous American departed. This, the only bad egg in the political refrig-

erator of the Government of American Samoa, was called the "Mau," did not last long. It hatched in April 1920, and died in July of 1921.

CHIEFS AND PEOPLE GRATEFUL—WISH TO RECIPROCATE

The chiefs and people have been always grateful and loyal to the United States. Their gratefulness is indicated by their willing cooperation and in their speeches on official occasions and in the manner of receiving and entertaining official visitors from Washington.

During World War II, knowing this to be the best opportunity to offer further evidence of their gratitude, as well as to prove their sincere desire to reciprocate, the chiefs met and discussed the matter of sending local help. As a result over 500 young men volunteered and signed a petition to Congress, via local authorities, to let them come to the United States to join the Armed Forces. For congressional reasons the petition was not accepted. Consequently, however, because of the urge by the chiefs and the desire of the young men themselves, means of transportation were sought. Some paid their ways with contributions by their families and relatives, some found transportation via Navy or Army planes or ships, and some had to risk punishment by stowing away. Soon—at the heat of the war—hundreds and hundreds of our young men were sworn in as fighting men of the United States and served in the various branches of the Armed Forces.

Side by side they fought with their American brothers; and though the war had ended nearly two decades ago, their footprints are imprinted in the shores of Guadalcanal and on the rugged hills of Iwo Jima; their blood besprinkled on and absorbed in the icy battlefields of Europe and Korea. Many of them received medals and were cited for bravery and heroism. Some of them are still in the United States for treatment, and those who have returned to their beloved Samoa carry with them the vestiges of battle—bullet and bayonet wounds, living proof of American Samoa's gratefulness, love, and loyalty, for and to the United States.

A PRAYER TO CONGRESS

To you, gentlemen, the people of the United States and inhabitants of its territories and possessions, look up for their happiness, security and liberty. To you the yet undeveloped or oppressed countries look up for support and survival. To you the whole world looks up for peace and freedom. To each and all of you, American Samoa and its 20,000 people, unrepresented in Congress and without a voice in Washington, look up for representation and sponsorship. To you our forefathers, who ceded our islands to the United States with a hopeful view for the happiness and prosperity of their progeny, looked and are still looking up from their graves for the fulfillment of their wish. To you we pray not to let the seed sown by our forefathers and your predecessors grow on barren soil or die for need of nourishment, and not to let the world say that our young men had fought and bled, or died, in vain.

You have spent billions of dollars on countries and peoples, who are neither your proteges, nor have pledged allegiance to the American flag, or rendered services to the United States. You have contributed millions of dollars to other U.S. possessions and territories, for the development of their economy, and to help them stand on their feet, as well as to acquire citizenship and work toward self-government. What about American Samoa, your possession and protectorate, whose chiefs did not hesitate to cede their islands and people to your care and protection and who, from 1900 to this very day, have spared no honors, left no traditional ceremony unperformed and, in rain or shine, gone through all the difficulties, seeking in the depths of the ocean and on the heights of the mountains, procuring and preparing things adequate and necessary for the reception of visiting Members from your dignified body, as well as officials from other departments in Washington.

In the name of the Government and people of the United States, and in the name of the chiefs and orators who ceded the islands and laid the foundation for our government, I, a son of the soil, a true and loyal servant of the government, chiefs, and people of American Samoa, as well as a proud and stanch supporter of the Government of the United States and its democratic doctrines and principles, pray that you, Honorable Members, remember American Samoa in your appropriations, aids, and grants. Please do not let our inability to return any revenue influence your decisions, but consider the causes of our failure. Your granting us $3 or $4 million, or a little more or less, for a set period of time, will not only help us improve our economy, our schools, roads, and health; save our Governor from blame and undue criticism and even curses for not getting the money promised or needed, despite his trips to Washington to be present at the hearings; raise the pay of our employees who have been working for the government for over 20 years, and those who deserve higher salaries because they do technical or professional work, and, last but not least, save our shameful faces from the scorn and sarcasms of our neighbors under the administration of other countries who delight in lampooning us, and shut forever the mouths of those who not only picture us in their writings and talks as "backward and forgotten," but expose the United States and its Departments and officials to undue criticism.

Speech by Gov. Harold W. Handley

EXTENSION OF REMARKS

OF

HON. RICHARD L. ROUDEBUSH

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 27, 1961

Mr. ROUDEBUSH. Mr. Speaker, the former Governor of the State of Indiana, Harold W. Handley, has recently delivered a speech of remarkable significance during the 146th annual meeting of the Manufacturers Association of Connecticut at Yale University.

In his address at Yale the Governor spoke most eloquently of a danger facing our country of which all Americans should be cognizant.

To this interest, I am extending my remarks to include the following excerpts from Governor Handley's speech:

When one tries to determine why this dynamic, vigorous, and wealthy Nation has been placed on the defensive throughout the capitals of the world, it finally becomes evident that the nerve gas which has been weakening our will, softening our resistance, and penalizing our productivity, is the steady dosage of the bad medicine of the John Maynard Keynes disciples and their Fabian Socialist partners.

This group of pseudo-intellectuals has been infiltrating into many of our universities and colleges throughout the country, as well as high places in Government, over the past 30 years, and teaching a philosophy of big government, big spending, bureaucratic controls, and the annihilation of State sovereignty.

Such thinking does not bear the label of Marxism or communism, but is known as Keynesism—so called after John Maynard Keynes, British economist (1893–1946), whose teachings today are considered an ideal base for British and American Socialists.

This quack program of complete government domination, bureaucratic controls and confiscatory taxes received its clinical testing in Great Britain and is now working its destruction on the economy, prestige, and freedoms of the only hope left of the free world—our country.

This false philosophy, better known as Fabian Socialism, has been properly described as "Not an economic theory, but a weapon of political conspiracy," and all arguments against this dogma of despair are termed "reactionary."

* * * * *

Read any account of the fifth columnist activities in this country, of our soft and unrealistic appraisal of the Kremlin, the bitter denunciation of the American businessman, of those who advocate deficit spending and the freewheeling welfare state; and you will recognize the same names over and over again—the people who have put the United States of America on the defensive throughout the world against the aggressive policies of Russia and Red China.

Over 100 years ago Abraham Lincoln said that if this country were ever to be destroyed it would be from within, and not from without.

New ideas we certainly must have. Differences of opinion we should always weigh carefully, and if they merit it we should proffer support and respect. But we should always remember that it was ingenuity, creativity, constructive and rational thinking—combined with lots of hard work—that have brought America to her present eminence.

And finally it is time that every citizen who believes in our Republic realizes that any government big enough to give you everything you want is powerful enough to take everything you have.

Andy Finkelstein

EXTENSION OF REMARKS

OF

HON. ESTES KEFAUVER

OF TENNESSEE

IN THE SENATE OF THE UNITED STATES

Wednesday, September 27, 1961

Mr. KEFAUVER. Mr. President, 16-year-old Andy Finkelstein of New York city is a young friend of mine who is disturbed over the need for training more scientists and technicians in the United States. Andy has been pondering what can be done to answer this need, and, in my opinion, he has hit upon a fine idea. Here it is in his own words:

In his book, "Strategy for Peace," President Kennedy expressed deep concern over the ability of Soviet Russia to train annually three times the number of scientists and technicians trained in the United States.

It is my opinion that in a time when our country is facing a challenge for its very survival, our Government should be getting full use out of its future scientific ability. Our technicians and scientists are spread too thin for maximum use by our Government. Some of the highest caliber go to MIT, Cal Tech, etc. A substantial number of these are immediately taken up by big corporations, because it is there that

they are offered the most money. I think it is time that something be done so that we can keep up with and forge ahead in our race with Russia.

In order to train more scientists and to use their scientific skills to meet our pressing needs, I feel it is imperative for the Government to establish a National Academy of Science, similar to West Point and Annapolis.

In order to get the top people to go, we would make it the highest honor for any student of the sciences: a distinguished group of the very top students who would be proud to attend the Academy and would feel that this is the only place to attend, and would not be tempted by the lure of big corporation money.

Attending the Academy would be an honor and there would be no tuition costs. Upon graduation, the students would of course go into Government work for 5 years just as a West Pointer must stay in service for a period of time. In this way, we can get the greatest coordination on specific important research projects.

This idea could be further researched by an organization such as the Ford Foundation which would work in cooperation with various agencies of Government.

Summing up, I think this school would turn out and mobilize our very top scientific brains for the maximum use of the free world's fight against communism. It will also stop so much of the talent from being taken up by the big corporations.

In my opinion, if a school like this had been started 15 years ago there would have been a vast difference in our scientific picture compared with the Russians. However, it is not too late for this school to be put in operation and to help us in the times ahead.

Andy Finkelstein's idea is admirable. Had we done what he proposes a dozen or so years ago, we might now be far ahead in our fight for scientific leadership in the world.

Therefore, I am going to ask President Kennedy, Secretary of Defense McNamara and officials of the Ford Foundation to investigate the possibility of making funds available for a study of this proposal.

And I want to thank young people like Andy throughout the United States who take their country's problems to heart. I hope that more and more of them will write their Senators and Representatives, their city officials and their schools, and give them the benefit of their ideas.

Target You—The American Schoolteacher

EXTENSION OF REMARKS

OF

HON. DONALD C. BRUCE

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 27, 1961

Mr. BRUCE. Mr. Speaker, the late Dr. Edward A. Fitzpatrick was, until his untimely demise some months ago, extraordinarily active in the service of our country and humanity. He deserves the gratitude of all those who cherish the dignity of man and the United States of America, under God.

Dr. Fitzpatrick's career as an educator was marked by his concern for freedom and high academic standards. He strove to improve and strengthen education as the best answer to the Communist attempt to capture our schools.

In 1955 he was a prime mover in the production of the first film in the educational series "Target You." Today his wisdom and foresight are revealed in the usefulness of this film as an aid to parents and teachers.

Dr. Fitzpatrick moderates this unrehearsed conference with experts on Communist subversion in education. The first film of the "Target You" series is an educational tool and an ideological weapon for the American schoolteacher.

It joins the schoolteacher with the parent to protect the child. "Target You" unites our people in support and defense of the free schools educating our children for American citizenship.

A public school teacher asks Dr. Bella V. Dodd and Francis J. McNamara what the Communist conspiracy is trying to do through and to her. She learns why she is a target of the enemy and what she can do to protect our children.

Dr. Fitzpatrick's pioneering in this vital endeavor should gain wider attention. As moderator of this film he speaks to us with good will, an American teacher leaving us his legacy of decency and hope. I wish to insert in the RECORD the biographies of this great man and his colleagues on the panel in the film "Target You," Dr. Bella V. Dodd and Mr. Francis J. McNamara:

Edward Augustus Fitzpatrick was born in New York City on August 29, 1884. He attended the New York City Training School for Teachers; received his B.S. from Columbia University in 1906; his M.A. in 1907 and his Ph.D. from Columbia in 1911.

Dr. Fitzpatrick's other degrees included: LL.D. Loyola University, Chicago, 1929; St. Mary's College, San Francisco, 1948; St. Norbert's College, 1954; Litt.D. St. Louis University, 1933; L.H.D. Loyola University, New Orleans, 1939; Ed.D. (honorary) St. Mary's College, 1951; D.Pd. (honorary) LaSalle College, Philadelphia, 1958.

Dr. Fitzpatrick taught in the New York City public schools from 1903 to 1908. He was commissioned a major of infantry, U.S. Army, serving in charge of draft administration in Wisconsin, 1917–19. As a lieutenant colonel of special Reserve (1934–42) he returned to active duty in the Office of the Director of Selective Service, April 1942–August 1945, and Industrial College of the Armed Forces, June–September 1946. He was made colonel in 1942 and remained an adviser and consultant on manpower to the Industrial College of the Armed Forces from 1946 until his death in 1960. He served as a member of the review commission on the deferment of Government employees.

In 1924 he became dean of the Graduate School of Marquette University and served until 1939. He was educational director of the College of Hospital Administration (first of its kind) at the same university from 1924–26; and president of Mount Mary College for Women, Milwaukee, 1929–54, emeritus 1954. He served as investigator of the publications of the U.S. Office of Education for the Subcommittee on Federal Activity in the Field of Education of the House Committee on Education and Labor in 1954. He was director of the Institute for Human Education from 1952 until he died, as well as a consulting member of the Advisory Board of the Industrial College of the Armed Forces from 1946.

Dr. Fitzpatrick went on a mission to France as representative of the administrator of the Foreign Economic Administration of the United States in 1945 and was guest professor at the University of Mainz (Dolmeischer Institute) and investigator of American Studies in German Universities in 1951. He did the pilot study of books about American democracy for the USIA in 1954 and was consultant to the Brazilian Center of Educational Research 1956–57.

In 1925 he was the winner of the Modern Hospital Essay Contest and won the Sachs prize at Columbia University in 1927. He was awarded the Medaille de la Liberee (France) in 1944; the Selective Service Medal (Illinois), 1945; the Legion of Merit, 1945. He drafted the first minimum wage law for teachers in Wisconsin in 1913; the law authorizing establishment of the Training School for public service at the University of Wisconsin in 1917; the half-time school law for children in industry in 1921.

Dr. Fitzpatrick was president of the Association of Presidents and Deans of Wisconsin Colleges in 1937; investigator, Federal Commission on Industrial Relations; Fellow A.A.A.O.; life member American Political Science Association; National Municipal League; State Historical Society of Wisconsin; American Hospital Association. He was a member of the Commission on Academic Freedom and Tenure; vice chairman of the Commission on Higher Christian Education, American Association of Colleges; chairman of the committee on liberal arts, National Catholic Education Association, 1948. He was editor of the Catholic School Journal from 1929 until his death.

Dr. Bella V. Dodd is a recognized authority on communism, a professor of political science, and a practicing attorney. Her testimony before the Internal Security Subcommittee (Sept. 8, 1952) appears on pages 2 to 40 of the hearings on Subversive Influence in the Educational Process, Part I, 82d Congress, 2d session. In 1953 she testified before the House Committee on Un-American Activities several times.

Dr. Dodd graduated from Hunter College in 1925, having been president of the student council and a Phi Beta Kappa. She received her M.A. at Columbia University in 1929 and the degree of doctor of jurisprudence from New York University in 1930.

For 12 years Dr. Dodd taught political science at Hunter College, and from 1935 to 1944 served as organizer of the Teachers' Union and its legislative representative. She was a leader in the Communist Party, serving as its legislative representative for several years. She was a member of its New York State committee, its State board and State secretariat. She took a prominent part in the national convention of the Communist Party in 1944 and for the next 4 years served on its national committee.

Disillusioned by her experience in communism, she broke with the party, publicly disclosed its real objectives, and received baptism at the hands of Bishop Fulton J. Sheen at St. Patrick's Cathedral in New York on April 17, 1952.

Francis J. McNamara: director of research, House Committee on Un-American Activities.

Director, American sovereignty campaign, Veterans of Foreign Wars and editor, VFW "Guardpost for Freedom," May 1954–July 1958; assistant legislative director, VFW, 1957–58.

Editor, "Counterattack" January 1950–May 1954; research analyst, 1948–50.

Oversea service, major. Two years as intelligence officer and adjutant, 1st Provisional Tank Group (Chinese-American), in northern and central Burma campaigns, and chief liaison officer, Chinese Tank Training Center in India.

Winner, Freedoms Foundation Award, 1957, for public address analyzing Communist strategy and tactics.

Has lectured at Naval Intelligence School and Department of Defense National Strategy Seminars; Command and Staff College of the Air University, Maxwell Field, Ala., and before International Association of Chiefs of Police.

Asian Art Comes Into the Classroom

EXTENSION OF REMARKS
OF
HON. HUGH SCOTT
OF PENNSYLVANIA
IN THE SENATE OF THE UNITED STATES
Wednesday, September 27, 1961

Mr. SCOTT. Mr. President, I ask unanimous consent to have printed in the CONGRESSIONAL RECORD the attached article "Asian Art Comes Into the Classroom."

There being no objection, the article was ordered to be printed in the RECORD, as follows:

ASIAN ART COMES INTO THE CLASSROOM

Dressed in his Boy Scout uniform for a meeting after school, the youngster walked up and down the aisles of the classroom, showing two gilded carvings to the other fourth grade pupils in the ancient history class.

"These are both from Thailand. This one is a * * *." He hesitated just a moment and then went on, triumphantly, "It's a Tapanom. That's a temple disciple. And this one is a Garuda. It's carved of wood, too, and it's from the 19th century. It's part of a temple decoration."

He passed the Tapanom to the boy in front, who in turn passed it on to another child. A little girl nearby took the Garuda, held it very carefully, let her fingers run gently over its surface and examined it on all sides before passing it on to the next child.

As the children all examined the Thai carvings, the teacher began to tell them about Buddhism and how it is a basic part of life in Thailand. She explained to them that, just as the religious faith of each is a major element in his daily life, so is Buddhism in the life of Thai children.

This was a new experience for the students at Sidwell Friends School in Washington. They study about Asia in their classes and see Asian art displayed in museums, but this is the first time that they have had Asian art and artifacts in their classrooms, as an integral part of their lessons, to examine closely and even hold in their own hands.

A MOST UNUSUAL GIFT

Asia and the customs of its various peoples are becoming very close indeed since Sidwell received a most unusual gift last December.

A gift of more than 400 pieces of Asian art and artifacts was presented to the school jointly by John W. Snyder, former U.S. Secretary of the Treasury, and the Asian Cultural Exchange Foundation, a nonprofit organization established in 1953 to promote a deeper understanding of Asian peoples.

The unusual aspect of the gift is the specification by the donors that the objects are not meant for a "museum," destined to remain in a formal display or locked behind the doors of a glass case. The students are to use them. They are to touch them, get the feel of them, and examine them closely in the classroom as part of their studies of Asian life and culture.

Sidwell is the eighth school to receive such collections through the foundation and the first private school so honored. The Sidwell faculty and students consider it a privilege to have this extensive collection as a permanent facility available for use in all classes.

COUNTRIES REPRESENTED

The gift collection contains some older pieces and many contemporary works. Some of the latter are excellent reproductions of classical art pieces. The countries represented in the collection are China, Japan, Nepal, Vietnam, Korea, Thailand, India, Indonesia, and Burma. In addition, there are books and pamphlets for a reference library on Asia which includes items from Malaya, Pakistan, and Taiwan in addition to some of the countries represented by art works.

The objects are housed permanently in glass cases in classrooms and corridors throughout the school's various buildings. They can be "signed out," much in the same way that people borrow books from a free public library.

When a teacher in any class—from kindergarten on through the 12th grade—believes that the artifacts would add a dynamic motivation to a lesson, she selects the objects she wants for class. She may keep them as long as she wishes, unless, as sometimes happens, another teacher is waiting to use them.

As soon as the objects were ready for classroom use at the beginning of the second semester in February, teachers began to integrate their use in the curriculum of study. The artifacts are in special demand in the various art classes and by the language, history, and social studies teachers in the lower, middle, and upper school.

The Real Truth About the American Civil Liberties Union

EXTENSION OF REMARKS
OF
HON. JAMES ROOSEVELT
OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES
Wednesday, September 27, 1961

Mr. ROOSEVELT. Mr. Speaker, it would be hard to find a more searching test of the genuineness of democratic sentiments than is implicit in the famous dictum of Voltaire, "I do not agree with a word you say, but will defend to the death your right to say it." And it would be equally hard, as the Christian Science Monitor said, "to find an organization that subjects itself to this test more often and more willingly than does the American Civil Liberties Union."

I am really greatly disturbed to see such a fine organization subjected to baseless attacks because it sticks to its mission of fighting for the preservation of the fundamental rights guaranteed by the Constitution of the United States, a fight that is never won. The ACLU, in its 41 years of existence, has had a long and honorable history. It has been praised by some of the best and most respected voices on the American scene. Numerous editorials have appeared in the greatest of the Nation's newspapers eulogizing the ACLU's willingness to fight for the rights of all citizens, conservatives and radicals, employers and labor unions, Americans in every walk of life and of every political complexion. Such praise has come from newspapers with widely diverse editorial policies. They have included the Atlanta Constitution, the Bergen Evening Record, Hackensack, N.J., the Capital Times, Madison, Wis., the Chicago Daily News, the Christian Science Monitor, the Denver Post, the Des Moines Register, the Durham Morning Herald, Durham, N.C., the Evening Star, Washington, D.C., the Minneapolis Morning Tribune, the New Orleans Item, the New York Times, the Pittsburgh Post-Gazette, the St. Louis Post-Dispatch, the San Francisco Chronicle, the Toledo Blade and the Washington Post.

Many newspapers have disagreed with ACLU positions on particular cases, but they have acknowledged its purity of purpose and devotion to evenhanded defense of a principle—the freedom principle of the Bill of Rights.

Just before Congress adjourned, a pamphlet appeared in the CONGRESSIONAL RECORD entitled "The Truth About the American Civil Liberties Union." It did not contain the truth about the ACLU, but instead viciously and unfairly smeared this fine organization. It violated the sage advice given by J. Edgar Hoover in this article "The Communist Party Line," just published by the Senate Judiciary Committee, where he stated, "The danger of indiscriminately alleging that someone is a Communist merely because his views on a particular issue happen to parallel the official party position is obvious. The confusion which is thereby created helps the Communists by diffusing the forces of their opponents."

I am herewith inserting a letter to me from Mr. Lawrence Speiser, director of the Washington office, ACLU, which sets forth the real truth about the ACLU:

AMERICAN CIVIL LIBERTIES UNION,
WASHINGTON, D.C., *September 25, 1961.*

Hon. JAMES ROOSEVELT,
U.S. House of Representatives,
Washington, D.C.

DEAR CONGRESSMAN ROOSEVELT: On September 20, 1961, an article appeared in the CONGRESSIONAL RECORD concerning the American Civil Liberties Union which misinterpreted and completely misrepresented the history and function of the ACLU. An entire pamphlet entitled "The Truth About the American Civil Liberties Union" published by an organization calling itself, "Organizational Research Associates" was placed in the RECORD. I am writing to you in the hope that a more accurate picture of the ACLU can be presented to other Congressmen.

The union's views, which have been recorded in public statements and annual reports throughout our 41-year existence, are well known to Members of Congress. We believe in a single standard for the Bill of Rights. For example, we have defended freedom of speech for the views of extreme rightwing groups as well as extreme leftists. Just recently we urged the Congress as well as the California attorney general not to investigate the John Birch Society on the grounds that the society has a perfect right under our Constitution to express and disseminate its views.

We do not hide behind the anonymity of a post office box as does the so-called "Organizational Research Associates," which issued the pamphlet. In a subsection entitled, "What Others Think of the ACLU," the pamphlet cites the discredited and ancient Fish committee report of 1931 (without bothering to indicate that this was over 30 years ago) as well as the 1948 California Senate Factfinding Committee on Un-American Activities report.

It ignores, however, the 1961 report of this California committee which states as follows:

"So far as the national ACLU is concerned, charges that it was a tool of the Communist Party have been made for many years, and we believe it appropriate at this place to include statements by Martin Dies, the first chairman of the House Committee on Un-American Activities and by Mr. Richard

Arens, present staff director of that committee. On October 23, 1939, Congressman Dies declared: 'This committee found last year, in its report, that there was not any evidence that the American Civil Liberties Union was a Communist organization.'

"On April 23, 1960, Mr. Richard Arens, present staff director for the House committee, delivered an address at the University of Illinois. On that occasion and in response to a question, he said, 'The American Civil Liberties Union, ACLU has never been investigated by the Committee on Un-American Activities, or, so far as I know, by any governmental agency.'"

Also ignored is the 1959 report of the same committee in which it is stated, "We do not believe that the American Civil Liberties Union nationally is in any sense subversive; a part of its function is the protection of civil liberties of all people, regardless of the fact that some of them may be members of the Communist Party or other subversive organizations."

On the occasion of our 25th anniversary in 1945, President Truman sent greetings to us in which he said, "Officers, directors and members of the union have performed outstanding service to the cause of true freedom." On this same occasion, Governor Dewey also sent greetings in which he said "It has been inspiring to observe that the American Civil Liberties Union has stood unwavering on the principle of defending everybody's rights without distinction."

On our 40th anniversary last year, President Eisenhower sent greetings to us as did Adlai Stevenson, who described the ACLU as one of his "favorite organizations." Both President Kennedy and former Vice President Nixon wrote articles for our monthly newsletter, Civil Liberties, last year giving their views. Roger Baldwin, the first executive Director of the ACLU, was invited to Japan by General MacArthur and to Germany by General Clay as a special consultant on civil liberties in those countries while they were under occupational authority. They both heaped much praise on him for his help.

I shall not burden you in setting out here in detail lengthy quotations from statements made by many other people in public life, as well as newspaper editorials which have lauded the work of the American Civil Liberties Union. Since the pamphlet has seen fit to quote certain statements by FBI Director J. Edgar Hoover concerning Communist front organizations in this country, statements which do not mention the ACLU in any way, we would like to call your attention to a statement of Mr. Hoover which appeared in an article he wrote on September 30, 1959, entitled "Communist Illusion and Democratic Reality":

"We must not, therefore, indiscriminately label as Communists those whose opinions on a particular question may, on occasion, parallel the official party position. We must also guard against the tendency to characterize as Communist those who merely disagree with us or who advocate unorthodox or unpopular beliefs.

"When anyone is erroneously branded a Communist, it not only constitutes an injustice to the individual, but also helps communism by diffusing the strength of anti-Communist forces.

"In combating communism, we must beware of vigilante action. The responsibilities of citizens are to be certain of the facts and to report these facts to the proper authorities."

We would very much appreciate having this letter placed in the CONGRESSIONAL RECORD in order to set the record straight about the ACLU.

Sincerely yours,

LAWRENCE SPEISER,
Director, Washington Office.

Migrant Workers in Michigan

EXTENSION OF REMARKS
OF
HON. PHILIP A. HART
OF MICHIGAN
IN THE SENATE OF THE UNITED STATES

Wednesday, September 27, 1961

Mr. HART. Mr. President, the Christian Science Monitor is publishing an excellent series of articles on the migrant workers in Michigan. Because these conditions may apply in many other States and the subject is one of the increasing national concern, I ask unanimous consent to insert a number of these articles in the RECORD, and shall ask unanimous consent immediately hereafter for a further and interesting summary of action taken by a citizen of Bangor, Mich., Mr. Andrew Donovan, in this area of concern.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

[From the Christian Science Monitor, Aug. 1, 1961]

OPTIMISM HIGH AMONG MIGRANTS

(By Dorothea Kahn Jaffe)

HARTFORD, MICH.—Cherry picking was in full swing in southern Michigan, and the orchards were full of migrant workers. As I talked with them, I discovered that every one had a story of his own.

Mrs. Neil, picking with her grandchildren, told of the experience her family had coming here from Arkansas. The car they were driving was wrecked by a drunken driver, she said, and they were injured. Newspapers of Hammond, Ind., where they were at the time, carried a story of their sad experience.

From that time on, Mrs. Neil said, everyone was remarkably kind to them. When the family was recovered, people they never knew before got together and hired a man to drive them in his truck to the place in Michigan where they intended to go to pick fruit. A farmer gave them work, and soon they were able to get a new car. Mrs. Neil's comment: "It makes you believe in God when you got friends like that." She likes her work. "I've lived in New Orleans, but give me country life."

FOR A NEW HOME

Some migrant families are working to pay for new homes in Texas, their permanent location. The Pasados are an example. I met them in the municipal parking lot at Hartford where Cosme, the father, and his family of seven had paused to reconnoiter. Leader of a crew as well as picker, Mr. Pasado had come ahead from a picking job in Ohio to make arrangements for his people to harvest cherries.

In conversation with the teenage children I learned that their big objective in coming north is to pay for the new house. Everything the children earn picking goes into it. "Except what we get for extra jobs we pick up," explained Lupe. "We can spend that money for movies or anything." Mama, who speaks no English, was apparently thinking about the little home on the Rio Grande. In her hand she carried a sprig of a rose plant with a tiny root wrapped in paper.

"She will plant it in the camp we are going to next," explained pretty Enedina, teenage daughter who speaks English well. "When we go back to Texas she will take it with her and plant it in our yard."

Mama seemed pleased that I noticed her rose. "La rosa es hermosa," I managed to say haltingly. Mama beamed upon me as if I had accomplished something remarkable. "Si, si," she said.

AMONG STRAWBERRIES

One evening I visited a camp of strawberry pickers just outside Hartford. Mrs. Edith Holder invited me into her one-room home. Her optimism amazed me. She, her husband Brady (a commercial fisherman when at home in Florida), their son, and a niece, came north in May, "because the fish don't bite so good in summer."

"We've worked in three camps, picking," Mrs. Holder told me. "The bosses have all been so nice." She had no complaints about the shack the family occupied even though it had no running water, no refrigerator, no place to hang clothes. "We get milk every day from the ice cream man. He comes by in his wagon. Ice too. We keep it in this old clothes boiler, put newspaper over it and it lasts quite a while." She smiled apologetically: "We've just got to have ice in our tea."

Later the Holders hope to buy a used refrigerator. The farmer for whom they work has other crops to pick which will keep this family busy all summer, and he has promised to reserve this cabin for the Holders next year. "That way we can buy some furniture and keep it here."

DIPLOMA PRIZED

With the help of the two children the Holders were making from $12 to $15 a day at piecework in strawberries. This was a poor season; berries are small and you have to pick more than usual to fill a carrier.) "Just one man alone can't make a go of it," the migrant wife explained. "But with a wife and family it's not bad. And you'd be surprised at the friends you make traveling. Mrs. Holder brought out a ledger in which she had written names and addresses of people she met.

The Goodwin girls. Near midday I was seeking direction to town and came upon Diana Goodwin with her little sister Judy, at home in the family's one-room cabin near a strawberry patch. Diana had been excused from picking to take care of an ailing small girl. She was glad to chat.

Her mother, she said, had education. To prove it, she dug into a box and brought forth Ruby Lee Goodwin's high school diploma, a possession of which the family was rightly proud. "I'm going to get one too," said Diana brightly.

Rita Skaggs, a 14-year-old migrant neighbor, joined us. I happened to mention that I was writing articles for a newspaper. Rita clapped her hand over her mouth. "Something tells me I'd better hush," she said. But Diana only laughed and said she didn't mind a bit.

My visit ended when the rest of the Goodwins came home for lunch in a fairly modern convertible, which Mr. Goodwin, mechanic by trade, had acquired in the garage where he works winters.

[From the Christian Science Monitor, Aug. 2, 1961]

PICKERS, VACATIONERS: TWO CLASSES OF MIGRANTS SEEN

(By Dorothea Kahn Jaffe)

HARTFORD, MICH.—You see human contrasts in this beautiful vacation land.

Two great summer migrant streams flow through it—vacationers bound for Michigan's many lakes and the fruit and vegetable pickers who come to harvest the crops.

The streams sometimes meet. Here, one summer morning, were two cars parked near the main intersection. One, a new Chevrolet station wagon with a Massachusetts license, was evidently bound for the Lake Michigan shore. The family of six was attired in fresh sport clothes. A trailer carried their luggage, and a carrier atop the automobile their sports equipment. Four youngsters peered out of the air-conditioned vehi-

cle while their father asked road directions of a local citizen.

HOW JOBS FOUND

The other car was not new, as its battered fenders indicated. The license plate bore the somewhat incongruous slogan, "Arkansas, '61, Land of Opportunity." The family, which included nine persons and a dog, was crowded, for these people had to take with them kerosene stove, blankets, and other household equipment—all needed when you're a migratory farmworker.

The tall, tanned father leaned under the opened hood trying to make the engine start. Unsuccessful, he detached a part and made his way with it to a nearby garage.

Meantime, the mother was busy in a street telephone booth looking up a number. Migrant workers often bring with them the name of a farmer who has applied to State placement officers for pickers, and she evidently was calling up for directions to get to the place.

As I stood on the shady street waiting my turn at the telephone, it struck me that both the Massachusetts and the Arkansas families were migrants. The Bay State people were part of the fun trek from city to shore and mountain in which millions participate. The Arkansas folk belonged to the vast mass of seasonal workers and their families who crisscross the United States every summer supplying the demand for hands to pick crops in harvests which up to now have defied large-scale mechanization—strawberries, cherries, peaches, apples, tomatoes, "pickles."

PLANS DIFFER

The vacationers know their route long in advance, but the seasonal workers must plan as they go because their movements depend on the way the crops behave. And nature is variable. This summer the strawberries and cherries in southern Michigan are ripening about 2 weeks later than usual.

Despite the efforts of the Michigan Employment Security Commission staff, which tries to forewarn crew leaders and families, people are pouring in before work is available. Some of them size up the situation and take off at once for another area, possibly Colorado. Others wait it out, watching their cash reserves dwindle and maybe disappear.

Farm placement specialists, such as John E. Portschky at Keeler, shuffle through their files of applications for workers and shake their heads when men apply for picking jobs. Yes, pickers will be needed—but not yet. Two weeks, maybe a little more. But the workers keep on coming.

A shy lad from Arkansas stands at the office door. "I thought I'd ask you about a job, mebbe. You got any work for pickers?"

ATTITUDE PRAISED

Another applicant, obviously a family head: "We're picking berries down at Foster's, but there ain't goin' to be many more days' work. So I though mebbe we'd try farther north * * *. Nothing up there either yet? Okay. Thank you."

Mr. Portschky watches the man leave. "I've been here 10 seasons and I've yet to see any worker, if he's sober, be any thing but respectful even when you've got to tell them there's no work."

Other men follow the crops because they like the footloose life with nb time clock to punch. One seasonal farmworker, a family man, gave up a job in a papermill at $1.75 an hour to work in the fields for 85 cents. "He told me he liked fieldwork," said Mr. Portschky.

[From the Christian Science Monitor, Aug. 8, 1961]

MICHIGAN GROWERS TRY TO HELP MIGRANTS

(By Dorothea Kahn Jaffe)

BENTON HARBOR, MICH.—Some farmers are trying hard to better the conditions of their seasonal farmworkers.

"Make it a point to see Harry Nye," the farm placement specialist urged me when I called at his office to talk about migrant workers' problems. "He's really working at this business of labor relations.

"He's a grower himself—has 100 acres of orchards south of St. Joe. Heads a committee of the Michigan State Horticultural Society, the growers' organization. His committee got out a good little pamphlet on migratory labor relations from the constructive side."

INVITATION SECURED

Rolland Kelly, the placement man, thumbed through a stack of magazines and found a copy. It is full of practical, concrete suggestions for bettering relations between employer and worker by giving the worker more consideration as an individual. All of the suggestions are based on practices proved successful by Michigan fruit and vegetable farmers. Cooperating in its production were the various agencies in the State dealing with migrant farm labor and experts in engineering and labor management of two Michigan universities.

Interested in seeing how Mr. Nye was implementing these ideas on his own farm, I telephoned and asked him if I might come over and see him. He gave me a warm invitation so at half past seven the next morning, the hour he suggested, I pulled up the rose-bordered driveway of his modest farm home.

This morning was peach-thinning time, and workers were busy on ladders. It seems the crop was too abundant, as it usually is, with too many little green peaches on each branch.

To get good fruit, the green peaches must be spaced as far apart as a man's hand. A worker is paid $1 for each tree he thins, which means he must pick and discard many hundreds of green fruit to earn from $7 to $9 a day.

"Not a great deal, although it includes housing and electricity," said Mr. Nye thoughtfully. "But if the rate went up much we'd have to use a cheaper method of thinning—knocking the fruit off with a pole, and the jobs would be gone. Some growers do this now, but hand picking produces better quality."

WORKERS TALKATIVE

Mr. Nye took me out to meet the orchard workers. A gentleman in khaki, he approached each of his migrant employees with natural courtesy, introducing me and explaining to each one my newspaper connection. He then left me with the workers while he went about talking with others, giving me an opportunity to be alone with them.

The folks on the orchard ladders, both men and women, all seemed glad to chat, I found two of them especially vocal. Bill and John, both bachelors, had come from Texas to pick.. John, a former nightclub singer, had tired of cafe life and came to Michigan to pick crops two summers ago. He liked Mr. Nye and came back to him this year, bringing his friend, Bill.

Bill told me how he happened to come. "We were sitting by a little old Texas stream fishing one day and John said to me, 'Let's go up North to St. Joe in Michigan and pick fruit.' So we came. I've never been so near to being happy as I am here." The boys "batch it" in a one-room cabin on the farm, cooking their own meals.

Leaving the orchard, I went with Mr. Nye to see the cabins in which the workers live. They are far above average, for they have running water and refrigerators, luxuries unknown to most migrant families. Exceptional also is the big sandbox which this farmer has provided for the workers' tots.

Several former migrant families from Arkansas, for whom Mr. Nye has found year-round work, have exceptionally good housing in his farmyard.

Most growers feel they cannot afford to buy refrigerators for their seasonal help. Mr. Nye manages to get them by buying used ones in the winter when the demand is low. "I get three for $100. They last a few years, and when they wear out beyond repair I buy three more." He keeps an extra one to use in emergencies during repair periods.

COST PRESSURE NOTED

Mr. Nye is clearly doing the best he can. It is better than most. "We're not typical, perhaps, but a lot of family farmers are like us," he says. He thinks many more will come to see the importance of good labor relations as the subject is studied.

"The thing is to make it as pleasant and profitable for workers as we can and still keep our costs down," he explained. He thinks many improvements can be made without adding much to costs. "A grower can have mediocre housing but if the atmosphere is good it will be comfortable. The people make the atmosphere. A grower can be a powerful influence. There isn't anyone who doesn't respond when you act as if you care.

"We growers have studied production and become very efficient. Now we need to put ourselves to studying this farm labor management business. There's a world of opportunity in the study of human relations."

[From the Christian Science Monitor, Aug. 16, 1961]

PICKERS DEPEND ON LEADERS—LAW NEEDED?

(By Dorothea Kahn Jaffe)

BENTON HARBOR, MICH.—Business organization of a sort has sprung up among the migrants—the 800,000 or so unorganized workers who follow the crops and pick the fruit and vegetable harvests.

It revolves around an entrepreneur called a crew leader. He's a picker like the others, usually a relative of some in his group. But he's also a contractor and manager of seasonal labor.

He arranges, with help of State employment services, to supply specific farmers with some 25 or 30 workers, provides transportation for the workers usually in a truck, and acts as liaison between them and the employer while they are on the job. Often he handles the payroll.

There are good crew leaders and bad crew leaders. The bad ones have caused the Congress of the United States to shape legislation designed to require crew leaders to register with Federal authorities. If enacted, this law would, it is hoped, make these contractors responsible for ethical practices much as private employment agencies are held responsible. Committees of both Senate and House, have approved proposed bills for crew leader registration in recent weeks.

A typical good crew leader was one I met at the Keeler Fruit Farm in southern Michigan. David Castellegia is a sturdy American of Spanish-Mexican descent. Mr. Castellegia was picking cherires along with his wife, sons, and a crew of relatives and friends when I talked with him. His farmer-employer, Lars Malling, regards him as a man he can depend on.

When he and his crew arrived for cherries this July it was the fifth year that Mr. Castellegia had fulfilled a contract with Mr. Malling. This employer counts on him to bring capable workers. He has provided him with a good little house with running water and refrigeration.

There are also crew leaders who are incompetent and even dishonest. One farmer told me he had dealt with 15 of this type before he found one who was thoroughly reliable. When he found this treasure, Clarence Brown, he made financial and managerial arrangements with him that have kept him coming back year after year.

HOW LEADER WORKS

Mr. Brown serves as the farmer's paymaster. Each week he receives all the money for the payroll, at the rate of 55

cents a lug for cherries. He in turn pays his men according to the amount they have picked, handling social security deductions. He also takes out for himself a percentage he and his workers have agreed upon as a fair return to him for providing transportation from Florida and back; trips to town in the truck; for getting them other work between harvests on this farm; and for acting as their steward and relationships with the boss.

At the end of the season he gets pay also from the farmer at the rate of 2½ cents a pound for the total weight picked. This is for his services to his employer which includes supervision of the camp and help in solving various farm problems.

These arrangements are usual. They vary from farm to farm according to agreements reached at the start of the season. The system seems to work well when both farmer and leader are honest men.

OTHER TYPES OF LEADERS

But irresponsible or dishonest crew leaders can cause much trouble. They exploit members of their crew, not paying them their fair return, not giving them proper services. They also abuse the confidence of the farmer. You hear of crew leaders accepting a loan from the farmer to pay transportation of workers and then failing to fulfill the contract. Sometimes they are never heard from again. Some have racket sidelines, dealing liquor and narcotics. Others are just incompetent.

In an orchard here I came upon a very young couple with a baby. They told me of their troubles with an irresponsible crew leader. This man found them work in the Ohio beet fields to which he brought them from Texas. When the job was finished he started to take them and other families in his group to the Michigan cherry orchards. His big truck broke down, and he used a pickup truck, too small to transport luggage. He had no contract, and when he reached Michigan he was late and unable to find jobs for his people. One evening he stopped his truck beside an orchard and told three or four families with children to get out.

FAMILY LEFT STRANDED

Maria Hernandez, holding her baby, continued the story:

"He took his own family in the truck and said, 'You go your way and we go ours.' We got out. We had nothing with us, because we had to leave our clothes and dishes and blankets where we were in Ohio. There wasn't room for them in the pickup.

"For 3 days we ate bread and boloney. I don't ever want to see boloney again. We were all dirty—3 days and no clean clothes. Then, God help us, we came to Mr. Lars. [Mr. Lars is Lars Malling, partner-manager of a big fruit farm.] He gave us a job and a place to live."

At this point Frank Hernandez, the young father, picked up the story. "After a few days me and my brother bought a car * * * for $45. We drove back to Ohio and got our things. We drove 500 miles in that old car, 40 miles an hour there and back, and we made it. Someone ought to catch that Joe Montez (the crew leader) and see that he gets what's coming to him. But I don't know where he's gone."

Federal registration of crew leaders, say proponents of the measures now in Congress, would serve as a check to such abuses and bring interstate offenders under Federal control.

[From the Christian Science Monitor, Aug. 21, 1961]

TWO SIDES SHOWN IN MIGRANT HOUSING

(By Dorothea Kahn Jaffe)

HARTFORD, MICH.—"You can tilt this migrant labor picture one way or the other," said a thoughtful Michigan farmer as we chatted in the orchard. "You can describe the best conditions and get one kind of picture, or you can pick out only the very worst—and get something like that television program they called 'Harvest of Shame.'"

How was it possible, for so many people to tune in on a single program such as this, given months ago. Practically every farmer I have met in this fruit and vegetable center—the golden belt—has mentioned the program. All of them say it was unfair. They concede there is much to be improved in the situation of migrant farmworkers but they think the documentary did not give any hint of the effort being made by many farmers to improve the status of seasonal employees. Nor did it show an understanding of the family farmer's business problem—how to make a profit when costs are rising faster than prices received.

"We don't pay like we should, but then we don't take in like we should, either," one farmer put it.

Above all, the farmers said, the TV presentation didn't touch on one big stumbling block to progress—the discouragement a farmer feels when he has provided improvements such as showers, screens, and flush toilets, and has seen them ruined by careless tenants.

Both farmers and State officials who inspect housing told me of seeing screen doors yanked off the hinges, toilets stuffed with trash, showers damaged beyond use. Farmers told also of having equipped cabins with mattresses, cooking utensils, and stoves, only to have them disappear when the tenants departed.

HOPES FOR IMPROVEMENT

Some farmers say understandingly that these workers need to be taught what screens are for, how you treat plumbing, why you don't help yourself to furnishings when you leave. (Some hotel men would also like to give lessons to guests who don't understand property rights and depart with towels, trunk racks, and the like in their suitcases.)

The hopeful thing is that there appears to be improvement. Mrs. Joseph Hassle, a young farm wife I met at the Joe Hassle farm in Keeler, said that since they have employed crews under direction of a crew leader their losses have been reduced to a minimum. The crew leader, she says, takes responsibility.

Mrs. Lars Malling, wife of the managing partner of the Keeler fruit farms, also reported steadily improving care of property on the part of workers. She and her husband make a practice of weeding out the careless workers and inviting back the good ones each year. Practically all their migrant laborers are now what they call "retournees." Some have returned for their fifth year.

For these trusted peoples, Mr. Malling has provided housing better than most that you see. Several families, who have come for a number of years, have little cottages with bedrooms and running water. For the rest he has built a camp which has a playground for the children where they are safe from cars. Houses are equipped with gas stoves for use of bottled gas, and some have running water.

Mrs. Malling, artist, housewife, and bookkeeper for the farm, sums up what has happened this way: "We improve and our class of people also improves."

This writer does not intend to gloss over the housing situation nor become an apologist for farmers who could do better if they would. Some who could afford to provide decent shelter are giving their workers shacks that are worse than the housing they provide for their livestock.

Not many miles out of Chicago I have just seen wretched old boxcars with no windows and a single entrance made to serve as home for families of farmworkers. Some of the cabins are so deteriorated it is hard to believe they are inhabited. (Fortunately a new Illinois law is catching up with these careless employers.)

On the other hand it is only good reporting to say that most progressive farmers are sincerely trying to upgrade their migrant labor situation. They say frankly it is to their own interest to do so. Good farmers seek good labor. The better type of workers are attracted by good working conditions. Some actually "shop around" to find a satisfactory place to work.

Twenty-four States have passed laws designed to improve living conditions of migrant farm workers, but some of the States using much transient farm labor as yet have no such law.

Eulogy to Jacob Scher

EXTENSION OF REMARKS

OF

HON. JOHN E. MOSS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 27, 1961

Mr. MOSS. Mr. Speaker, it is my sad duty to report the death of Jacob Scher, the Nation's No. 1 expert on the legal problems involved in access to Government information. His death is a great loss to those who knew Jacob Scher personally, for he was so much more than a lawyer, a newspaperman, and a scholar—the fields in which he made his reputation. He was a humanitarian whose great feeling for his fellow man gave his work a depth of understanding, lifting everything he did above the ordinary.

He was first of all a teacher. There can be no greater praise than this. He also served as chief counsel of the Special Subcommittee on Government Information. His legal guidance was instrumental in congressional approval of the first freedom of information legislation in 1958. And his counsel was sought on all of the other important freedom of information moves by Congress.

And he was a newspaperman. To call a man a newspaperman, with a certain tone of deference that only those in the professional recognize, is a high compliment. Jacob Scher deserves that compliment, for he was a good newspaperman, an honest and able one. And he was an excellent lawyer.

But most of all Jacob Scher was a teacher. While he served as chief counsel for the subcommittee, he was teaching those of us with whom he worked about the intricate legal problems involved in gaining access to Government information. And while he worked as a newspaperman he acted as a teacher of his younger colleagues and he was a teacher of those who read what he wrote. His impact as a teacher is best reported by his students at the Medill School of Journalism. Following is an editorial from the Daily Northwestern, published where Jacob Scher taught school, and a résumé of his career published in the Washington Post:

A REVERED MAN

Jacob Scher was a man dedicated to completeness and honesty of approach. His personal convictions—about teaching, about

learning, about people—were always defended with his total strength. And he tried to push his students to defend the convictions they held.

He would not want any maudlin commentary on his death. He was not that kind of newspaperman; he was not that kind of teacher. He could tolerate the idea of death, even his own. To be frank, he could tolerate anything except sloppiness of thinking and sloppiness of writing.

It is infinitely more difficult for us to tolerate the idea that Jacob Scher's dynamic voice will no longer stimulate his students and his colleagues.

His death Wednesday deprived the university of a man who had much more to give. Those students who will not now have the challenge of working with Mr. Scher will never realize their loss. Those who had that challenge will realize only too well.

Certainly he was a stimulating lecturer, a warm (although often barking) individual. But the highest point of the man was his warmth and sympathy to human beings. Mr. Scher drove himself hard in his endeavors to help his students, to inculcate a truthful sympathy with the plight of less fortunate people, and to instill in them a dedication to end these plights.

He suffered various illnesses, but he forced them into the background so he could devote his time to his classes. He worked with a congressional committee to open previously closed areas of information so that the people might know of their Government. But he hurriedly returned to teaching as soon as he could. He was, above all, a scholar.

Many of us have suffered an immense personal loss. Beyond that, the university community—and the realms of education and journalism—have lost: a dear friend, a revered teacher, an insurpassable human being.

JACOB SCHER, PRESS LAWYER

(By Robert L. Asher)

Jacob Scher, professor of journalism at Northwestern University and one of the Nation's leading authorities on the law of the press, died of cancer Wednesday night in Chicago. He was 52.

Mr. Scher's lifelong campaign—to establish "true freedom of information and the people's right to know"—stemmed from an extensive career as newsman, teacher, lawyer and Government special counsel.

A 1931 graduate of the University of Illinois Law School, he practiced law in Chicago and New York before entering newspaper work with the United Press in the early 1940's.

He continued his career in journalism in various editorial capacities, working for the Chicago American, the Oakland (Calif.) Tribune, the Nashville Tennesseean, the Chicago Sun, the Chicago Sun-Times, and the Chicago City News Bureau.

FREE PRESS CRUSADE

The free flow of information to the public became Jacob Scher's crusade as he continued to write and edit for the Nation's newspapers and to familiarize himself with every phase of press law.

He joined Northwestern's Medill School of Journalism faculty in 1947. He later served as special counsel to the House Subcommittee on Government Information.

As a professor, Mr. Scher taught countless future newsmen the basics of journalism—its history, its ethics and its law.

As subcommittee counsel, he carried on tirelessly his fight against secrecy in government, working always to loosen binding statutes that permit suppression of information. Largely a fruit of his labors, the first freedom of information bill correcting a restrictive statute was passed into law in August 1958.

Last year, as chief counsel of the subcommittee, he proposed a law designed to end Government secrecy through appeals to Federal courts.

BILLS STILL PENDING

His plan, still drafted into bills but as yet unpassed, would permit any person denied information by a Government agency to appeal to a Federal district court for action to enforce the right to know. News reporters would be among those eligible to carry such matters to court.

Yesterday, Representative JOHN E. MOSS, Democrat, of California, chairman of the House subcommittee, said of Mr. Scher:

"He was a great newspaperman—a great humanitarian. Without Jacob Scher, the fight for the people's right to know would have ground to a standstill."

Even as he taught and gave legal counsel, Mr. Scher continued to work nights in Chicago's newsrooms. He also was freedom of information expert for the Inland Daily Press Association and the National Editorial Association.

PRAISED BY EDITOR

This year he was apponited freedom of information counsel for the American Society of Newspaper Editors at the group's convention here.

J. R. Wiggins, editor of the Washington Post and a past president of ASNE, said yesterday:

"The death of Jake Scher removes one of the country's foremost legal authorities on the rights assured in the first amendment. At the time of his death he was still at work on a manuscript on executive privilege which, had he lived, would have been added to the list of his contributions in the field. It is a great misfortune."

Mr. Scher, who lived in Highland Park, Ill., leaves his wife, Klema, and two daughters, Valerie and Dorothy. Funeral services will be held today in a chapel on Chicago's North Side.

Record of Committee on Public Works in the 87th Congress, 1st Session

EXTENSION OF REMARKS

OF

HON. CHARLES A. BUCKLEY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 27, 1961

Mr. BUCKLEY. Mr. Speaker, under leave to extend my remarks, I include the following summary of public works legislation reported by the Committee on Public Works during the 1st session of the 87th Congress:

GENERAL STATEMENT

The committee had 354 bills referred to it during the first session. These dealt with such subjects as navigation improvements, flood control, beach erosion, highways, bridges, water pollution, public buildings, land acquisitions, and water supplies.

The committee acted upon 68 river and harbor, flood control, and watershed resolutions proposed by individual Members of Congress, which require only committee action. The civil works resolutions authorized review survey studies by the Corps of Engineers, Department of the Army, that will ultimately result in project reports submitted to Congress if the projects are found feasible and are approved by the Board of Engineers for Rivers and Harbors, the Chief of Engineers, and the Secretary of the Army. The watershed resolutions were acted upon pursuant to the Watershed Protection and Flood Prevention Act—Public Law 566, 83d Congress, as amended by Public Law 1018, 84th Congress—which requires watershed projects having more than 4,000 acre-feet of total capacity to be approved by the Committees on Public Works.

The committee approved 49 public building projects under the Public Buildings Act of 1959. These included courthouses, Federal office buildings, post offices, customhouses and border facilities throughout the Nation. While most of these were for new construction some of them represent repair and remodeling of existing structures.

One of the most important measures acted upon by the committee in this session was the bill to amend the Federal Water Pollution Control Act, now Public Law 87–88. Among other things this act (1) provides that Federal agencies shall give consideration in the planning of any reservoir to inclusion of storage for streamflow regulation for water quality control purposes, (2) directs the Secretary of HEW to develop and demonstrate sewage treatment means, improve methods and procedures to identify and measure pollution effects on water uses, (3) directs the Secretary of HEW to establish and maintain field laboratory and research facilities at various locations in the United States for the conduct of research, investigations, experiments, etc., (4) increases authorizations for appropriation of funds for grants to State and interstate water pollution control agencies to assist in establishing and maintaining adequate water pollution control measures, (5) increases authorizations for appropriation of funds for grants to municipalities for construction of sewage treatment works, (6) increases the amounts of individual grants for construction of sewage treatment works, (7) applies Davis-Bacon Act provisions to rates of wages paid on projects for which construction grants are made, and (8) extends Federal abatement jurisdiction to both intrastate and interstate or navigable waters.

The Federal Aid Highway Act of 1961 was enacted into law during this session. Title I of this act (Public Law 87–61) was reported by the Committee on Public Works and title II, providing increased revenues to the highway trust fund, was handled by the Committee on Ways and Means. Title I contains the following provisions:

"1. Approves the 1961 estimate of cost of completing the National System of Interstate and Defense Highways for the purpose of apportioning interstate funds to the several States for fiscal years 1963, 1964, 1965, and 1966. The estimated total cost is $41 billion, of which $37 billion is Federal funds and $4 billion is to be provided by the States.

"2. Increases the authorizations for appropriation of funds for completion of the Interstate System from $25.44 billion, authorized by prior acts, to $37 billion, an increase of $11.56 billion, and extends the period of authorizations for 2 additional years, through fiscal year 1972.

"3. Extends the period within which States may enter into agreements with the Secretary of Commerce for regulation of outdoor advertising adjacent to the Interstate System from July 1, 1961, as provided in prior law, to July 1, 1963."

SPECIAL SUBCOMMITTEE ON THE FEDERAL-AID HIGHWAY PROGRAM

The first interim report of the Special Subcommittee on the Federal-Aid Highway Program entitled "Defense Highway Needs" was filed may 8, 1961 (H. Rept. No. 363).

The subcommittee's second interim report on "Construction Practices in Oklahoma" also was filed May 8, 1961 (H. Rept. No. 364).

Just prior to the convening of the 87th Congress the subcommittee conducted public hearings on December 5, 6, 7, 8, 9, and 13, 1960, which disclosed that many Florida State Road Department employees accepted thousands of dollars, in one form or another from contractors whose work they were

supervising. The contractors admitted they paid out the money, either through the devious method of sending specified weekly sums through the mail, or by making loans they had good reason to believe would never be repaid, or by the purchase of a wide variety of items which later were given to State personnel.

The testimony placed in the record in the Florida case is summarized in the subcommittee's third interim report filed September 20, 1961 (H. Rept. No. 1246).

The subcommittee conducted public hearings on March 1, 2, 3, 7, 8, 9, and 10, 1961, with reference to the State's policies, practices, and procedures in the disposition of improvements located on right-of-way acquired for Federal-aid highways in Florida with particular attention to certain segments of the Interstate System in several Florida cities. Printed copies of the testimony are available under the designation of Committee Document No. 87–2.

Public hearings also were conducted by the subcommittee on June 12, 13, 14, 15, 16, 20, 21, 22, and 23, 1961, following an investigation of highway construction practices in the State of New Mexico. Printed copies of this testimony are available under the designation of Committee Document No. 87–6.

SPECIAL SUBCOMMITTEE ON REAL PROPERTY ACQUISITIONS

On August 24, 1961, the committee voted to set up a special subcommittee to conduct a study of real property acquisitions in Federal and federally assisted programs, through condemnation proceedings or otherwise. The subcommittee will conduct hearings, receive testimony and develop legislative proposals, if appropriate, and report its findings and recommendations to the full committee for transmittal to the Congress.

The subcommittee will conduct a comprehensive and impartial study of the acquisition of property by the Government. The study is to be a balanced and objective examination for the purpose of ascertaining whether existing practices are unfair either to the property owner because of inadequate payments or to the general taxpayer because of overpayments. The initial phase of the subcommittee's activity will be devoted primarily to intensive study by the staff. Public hearings will follow some time in the 2d session of the 87th Congress.

SUBCOMMITTEE AND STAFF WORK

I have had splendid cooperation and invaluable aid from all committee members. I am grateful to Representatives GEORGE H. FALLON, CLIFFORD DAVIS, JOHN A. BLATNIK, ROBERT E. JONES, and FRANK E. SMITH, who served so ably as subcommittee chairmen. I am indebted to Representative JAMES C. AUCHINCLOSS, ranking minority committee member, who has always been most cooperative and helpful. The committee is fortunate in having an efficient hardworking staff of experienced persons, and I commend them for innumerable tasks well done.

SUMMARY

Following is a summary of the bills and resolutions acted up by the committee in the first session:

Bills and resolutions enacted into law

Public Law No.	Bill No.	Date approved	Title
9	S. 307	Mar. 29, 1961	Beach erosion control of shore at Oceanside, San Diego County, Calif.
61	H.R. 6713	June 29, 1961	Federal-Aid Highway Act of 1961.
88	H.R. 6441	July 20, 1961	Federal Water Pollution Control Act Amendments of 1961.
184	H.R. 4660	Aug. 30, 1961	Mississippi River, payment for damages to Kings Lake Drainage District, Mo.
236	S. 48	Sept. 14, 1961	Recreation facilities in reservoir areas, authorize Secretary of the Army to modify certain leases.
275	S. 541	Sept. 22, 1961	Empower Administrator of General Services to appoint nonuniformed special policemen.
277	S. 931	do	Sites for public buildings, repeal requirement that grantors finance evidences of title.
282	S. 1719	do	Amend title 23, United States Code, re Indian reservation roads.
307	H.R. 8678	Sept. 26, 1961	Convey portion of Shirley Memorial Highway and other highways on Pentagon road network to Commonwealth of Virginia.
360	S. 2295	Oct. 4, 1961	Provide for improvement of National Zoological Park.
373	H.R. 3019	do	Government Printing Office annex building, provide for construction.
386	H.R. 7888	do	Grapevine, Garza-Little Elm, Benbrook, Belton, and Whitney Reservoirs, Tex., extend time for reconveyance of lands to former owners.
388	H.R. 7854	do	Duluth-Superior Harbor project, Minnesota and Wisconsin, provide for abandonment of 21st Avenue West Channel.
392	H.R. 8558	do	Amend title 23, United States Code, re organization of Bureau of Public Roads.
-------	H.R. 8320	-------	Amend Freeport Harbor project, Texas.

Bills passed by the House and pending in Senate committee

Bill No.	Passed House	Title
H.R. 30	Aug. 2, 1961	Northeastern water and related land resources compact.
H.R. 157	Sept. 6, 1961	Change name of Playa del Rey Inlet and Harbor, Venice, Calif., to Marina del Rey, Los Angeles, Calif.
H.R. 3801	Sept. 18, 1961	Authorize Secretary of the Army and Secretary of Agriculture to make joint investigations and surveys of watershed areas.
H.R. 4300	July 10, 1961	Designate Bear Creek Dam, Lehigh River, Pa., as the Francis E. Walter Dam.
H.R. 5903	June 29, 1961	Amend General Bridge Act of 1946 re vertical clearance of bridges across Mississippi River.
H.R. 6676	July 10, 1961	Designate Kettle Creek Dam, Kettle Creek, Pa., as the Alvin R. Bush Dam.
H.R. 7477	Sept. 6, 1961	Repeal sec. 409 of Public Buildings Act of 1949, requiring submission of report to Congress concerning eligible public building projects.

Bills reported by the committee and pending on House Calendar

Bill No.	Reported from committee	Title
H.R. 947	Aug. 15, 1961	Designate new lock on St. Marys River at Sault Ste. Marie, Mich., as the John A. Blatnik lock.
H.R. 8355	Aug. 28, 1961	Authorize executive agencies to grant easements in, over, or upon real property of the United States under the control of such agencies.

Bills approved by House, amended in Senate, and awaiting final action

Bill No.	Passed House	Title
H.R. 8921	Sept. 18, 1961	Annual audit of bridge commissions and authorities created by act of Congress, and filling of vacancies in membership thereof.

Bills approved by Senate and referred to committee

Bill No.	Passed Senate	Title
S. 51	July 7, 1961	Commission on Presidential office space.
S. 340	Aug. 14, 1961	Authorize contracts with Standing Rock and Cheyenne River Indian Tribes to provide for clearing of certain portions of Oahe Reservoir area.
S. 720	Sept. 19, 1961	Authorize modification of Kaskaskia River, Ill., project.
S. 588	June 16, 1961	Amend act of May 29, 1930, to increase authorization for funds for extension of certain projects from District of Columbia into State of Maryland.
S. 811	June 13, 1961	Establish Wabash Basin Interagency Water Resources Commission.
S. 1563	Sept. 8, 1961	Convey certain lands within Clark Hill Reservoir, Savannah River, Ga.-S.C., to Georgia-Carolina Council, Inc., Boy Scouts of America, for recreation and camping purposes.
S. 1742	Aug. 21, 1961	Authorize Federal assistance to Guam, American Samoa, and the Trust Territory of the Pacific Islands in major disasters.
S. 2394	Sept. 15, 1961	Authorize improvement of Portland Harbor, Maine.

Remarks of Trevor Gardner at Air Force Association Space Symposium

EXTENSION OF REMARKS
OF
HON. EMILIO Q. DADDARIO
OF CONNECTICUT
IN THE HOUSE OF REPRESENTATIVES
Wednesday, September 27, 1961

Mr. DADDARIO. Mr. Speaker, on September 22 the Air Force Association sponsored a symposium on space in Philadelphia, as part of the 15th national convention of the association. The remarks made at that symposium contained pertinent thinking on today's problems. Moderating the panel was Trevor Gardner, chairman of the board and president of the Hycon Manufacturing Co. of Monrovia, Calif. His remarks, outlining the issue facing the panel, are hereby submitted for the RECORD:

AIR FORCE ASSOCIATION SPACE SYMPOSIUM, SEPTEMBER 22, 1961, OPENING STATEMENT TREVOR GARDNER, CHAIRMAN OF THE BOARD AND PRESIDENT OF HYCON MANUFACTURING CO., MONROVIA, CALIF.

As we sit here on this 22d day of September 1961, our Nation is facing an imminent and dangerous Soviet space threat. We are late in awakening to this threat. We are deluding ourselves by declaring that we are ahead in space science, but the Soviets just happen to lead us by a few years in the development of large boosters and man in space. We cannot afford to continue to lag in the field of military space development. Our President has already committed the Nation to a major national effort in space exploration—the lunar landing and return program. Our national leaders are now confronted with the need for a similar commitment with respect to U.S. military space superiority.

Let us direct our attention to the actual score in the space achievement of the United States and the U.S.S.R.

The U.S.S.R. has placed 15 devices in orbit with a total announced payload of 109,000 pounds. The United States has placed 51 devices in orbit with a cumulative payload of 30,000 pounds plus 29,000 pounds of engines and tanks. The maximum single payload we have been able to place in orbit is 4,600 pounds, compared with 14,292 pounds for the U.S.S.R.

Now let us look at some recent "ancient history." On August 19, 1960, the U.S.S.R. placed a 10,120-pound spacecraft in orbit and caused it to land at a time and place of their choosing. A payload of this size could have been a major nuclear weapon. We had no means then, nor do we have any capability now, to neutralize, capture, or destroy such spacecraft if they are hostile. Nor is any such capability under urgent development by our Government.

Since August 19, 1960, the U.S.S.R. has launched eight spacecraft of this general character, including the most recent launchings which carried Gagarin and Titov.

On September 1, 1961, the U.S.S.R. resumed nuclear testing, and to date has conducted 14 tests in the atmosphere. One possible objective of these tests is to perfect a "gigaton" (50–100 megaton) bomb.

Almost simultaneously the U.S.S.R. resumed a major ICBM test program in the Pacific in which two 7,500-mile successful tests have already been accomplished. Their announced objective for this program is to test a new and even large booster. In view of recent Soviet behavior concerning resumption of nuclear tests, a real possibility exists that a forthcoming test in this new ICBM series could involve the explosion of a giant nuclear warhead, instead of a dummy payload.

In the face of these two test programs and their grim implications of large thermonuclear bombs in orbit or in ICBM's, we must solemnly reexamine our military defensive and offensive space plans and urge our national leaders to permit us to embark upon a new and invigorated military space program.

We must also reexamine our civilian space program (particularly the lunar program) so that we will gain the maximum military yield as a dividend from this investment.

It is our purpose here today to address ourselves to these and other questions involving the military potential of the national space program.

Economic and Financial Background of IMF Operations During Past Year

EXTENSION OF REMARKS
OF
HON. HENRY S. REUSS
OF WISCONSIN
IN THE HOUSE OF REPRESENTATIVES
Wednesday, September 27, 1961

Mr. REUSS. Mr. Speaker, I include in the RECORD a statement by Mr. Per Jacobsson, managing director of the International Monetary Fund, on the world economic and financial background of IMF operations during the past year, at the annual meeting of the Fund in Vienna, Austria, September 18, 1961:

May I begin by saying how much pleasure it gives me that this year's annual meeting is being held in Vienna. For me, personally, our presence here brings back memories of quite a long time ago—of the time of the League of Nations reconstruction scheme for Austria after the First World War. In the summer of 1925 I served as one of the secretaries to Mr. Walter Layton (now Lord Layton) and the late Prof. Charles Rist, who had been asked by the League Council to report on the economic position of Austria. These two experts came to the conclusion that Austria was economically viable; but when they made their report at the League of Nations headquarters in Geneva there were those who thought that they had been too optimistic and dubbed them, after a vaudeville show then running in London, the "Cooptimists." This time, however, the optimists proved right. Whatever the vicissitudes through which this country has had to pass, it has undoubtedly established itself as a proud and independent country, thanks to the fortitude, resilience, and vitality of its people; qualities as deeply rooted in them as those of charm and good humor, which are perhaps more readily apparent.

A year ago, when our annual meeting was held in Washington, 68 countries were members of the International Monetary Fund. Today we have 73 members. Thus in the last 12 months five new members have joined the Fund—Laos, Nepal, New Zealand, Nigeria, and Portugal. A number of other countries have applied for membership, and it is expected that several will be able to sign the Articles of Agreement in the next few months. The increase and expected increase in membership reflect the emergence in recent years of many new countries, particularly in Africa, all of whom we shall be glad to welcome as members of the Fund; but I think it also indicates a growing appreciation of the usefulness of the Fund as a center for consultation and as an institution capable of rendering valuable service to all its members. I would think that the usefulness of the Fund has been made even more evident by the intense activity in the year since our last annual meeting. In this year not only have the financial operations of the Fund been larger than in any other year of the Fund's history, but there has also been very considerable activity in other ways.

It might be of some interest to examine the developments of this last year against the background of the situation at the end of 1959 and early in 1960. Many countries were, of course, faced with difficulties, but world economic activity was generally at a high level, and showed signs of increasing. The adoption of external convertibility by a number of European countries at the end of 1958 had clearly been successful, and there had been an almost all-around increase in their gold and foreign exchange reserves. The rise in the general price level had been much less accentuated during 1958 and 1959, holding out the hope that the postwar inflation had at last been contained.

The improvement in the monetary position was underlined by the acceptance early this year of the formal convertibility of their currencies, under article 8 of the Fund Agreement, by 11 countries: Belgium, France, the Federal Republic of Germany, Ireland, Italy, Luxembourg, the Netherlands, Peru, Saudi Arabia, Sweden, and the United Kingdom. This was greatly to be welcomed, and brought the total number of countries which have accepted the obligations of articles 8 to 21. It is also satisfactory that we have now started regular consultations with article 8 countries in accordance with the view expressed by the Executive Directors in their decision of the 1st of June last year.

The growing freedom for the international movement of funds, as a result of the increased convertibility of currencies, and the greater stability of prices—so welcome in themselves—have, however, created new problems which the world has not had to face since the start of the Second World War. Some of these problems were discussed at our last annual meeting, others have developed since that time. I believe that much of the disquietude that has arisen in this new situation has not really been justified, but while it lasted it certainly exerted a disturbing influence. In the United States, mainly under the impact of a change in inventories once prices had become more stable, industrial production declined from the spring of 1960 and unemployment increased to the highest percentage since the end of the war. In the spring of this year, however, business activity began to recover so that the setback proved to have been of short duration. Even so, it was not without influence on the international monetary situation. As was natural in a period of recession, interest rates in the United States declined; and with boom conditions and fairly high interest rates ruling in most European countries, it was to be expected that there would be an outflow of funds from the United States. This outward movement coincided with growing misgivings about the competitive power of the U.S. economy, and also with some apprehensions connected with the election. A temporary flight from currencies into gold led to a steep rise in the price of gold in London which in turn intensified these fears and gave an impetus to fresh rumors and speculations. All this occurred at a time when there was a remarkable and continuing improvement in the basic position of the U.S. balance of payments. Imports were tending to fall as a result of the decline in business activity, but exports had risen substantially, and there was a trading surplus for the whole of 1960 of more than

$4.5 billion. Together with the net income from investments and services, the United States had available some $6 billion to meet Government expenditure abroad, including military expenditure and official assistance of all kinds. Thus the only uncovered foreign payments were of a capital nature—private long-term investments abroad and the outflow of short-term funds. Toward the end of the year and in the early months of 1961, the net income from trade and services rose further, and was sufficient to cover practically all the long-term private investment abroad at the current rate, in addition to Government expenditure abroad.

It was in this improving situation early in February that the President of the United States made his statement that steps would be taken to safeguard the value of the dollar, and that the dollar price of gold would be maintained. In addition, the President declared that "the United States has never made use of its drawing rights under the International Monetary Fund to meet deficits in its balance of payments. If and when appropriate, these rights should and will be exercised within the framework of fund policies." Assisted by reductions in discount rates in Europe and a determination to avoid any great decline in short-term rates in the United States, the outflow of short-term capital subsided, and, with certain advance repayments from abroad, there was a substantial improvement in the overall balance of payments.

The U.S. trade balance was helped by the strong boom which continued in most industrial countries in Europe, as well as Japan. Compared with 1959, these countries increased their imports by about 20 percent in 1960, and this was sufficient to lift the volume of world trade by about 10 percent. Even such a large increase in European and Japanese imports was not sufficient to raise the general level of raw material prices, which in fact slightly declined over the year. Since many of the less developed countries are dependent on the export of only one or two primary products, even a relatively moderate decline in the prices of these products may create difficulties in their balance of payments, and with only slender reserves to fall back on, many have turned to the Fund for financial assistance. Thus the general weakness in the prices of raw materials and foodstuffs have been reflected in the work of the Fund, which has had an unusually large number of transactions with the less developed countries.

Analysis of the First 9 Months of the New Frontier

EXTENSION OF REMARKS
OF
HON. THOMAS M. PELLY
OF WASHINGTON
IN THE HOUSE OF REPRESENTATIVES
Wednesday, September 27, 1961

Mr. PELLY. Mr. Speaker, I have made a summary of the actions and issues of the first 9 months of the Kennedy administration from the viewpoint of the minority. This summary is for publication in an excellent weekly periodical published in Seattle, Wash., namely, the Argus. This little article by me will be followed by the views of one of our Democratic Representatives in Congress.

Under unanimous consent to extend my remarks and include extraneous matter, I offer the article for printing in the CONGRESSIONAL RECORD:

ANALYSIS OF THE FIRST 9 MONTHS OF THE NEW FRONTIER

The record of the 87th Congress, 1st session, is one of an administration and its executive bureaucracy seeking unprecedented powers and new spending authority.

To these legislative requests Congress, and especially the House of Representatives, mindful of its constitutional prerogatives, was cool at times, and in spite of a deep-seated desire to go along with the new President, he met defeat on a number of significant occasions. Notwithstanding these rebuffs, numerically or percentagewise, his scoreboard remained high as is evidenced by any summary of legislation enacted.

The cost of these New Frontier successes to the American taxpayer is an extra $2.5 billion over the Eisenhower budget for this year and an extra $10.5 billion more in fiscal 1962. By the same token the number of Federal employees to administer new and expanded programs is up in excess of 100,000 persons who were added to the Government payroll during the past 9 months and this trend is due to continue. One statistically inclined Senator calculated new employees were being hired by the New Frontier at the rate of 4 every 5 minutes. He figured the Kennedy administration was spending $650,000 per hour, 24 hours a day more than the Federal income.

The Federal debt, as a result, now approaches $300 billion, so that any student of economics will recognize—as Khrushchev surely does—our fiscal situation is vulnerable.

The projected Eisenhower budget surplus of $100 million for fiscal year 1961 was permitted to lapse to a deficit of $3 billion, while a planned surplus of over $1.5 billion for fiscal year 1962 instead will end up with an approximate deficit of $7 billion. The administration, in spite of Republican pleas, refused to hold down nondefense spending to offset an increase of $6 billion in the defense budget.

The Republican minority in the Congress did its best to blunt the President's drive for excessive money and power, while at the same time it strongly supported measures to preserve peace by increasing our military defense capabilities.

Republicans believe the New Frontier policies with respect to wage costs, agricultural price supports, and use of Federal spending to generate a higher level of business activity is adversely affecting our ability to compete in world markets and is shaking international confidence in our dollar. The theory that easy money and creeping inflation create healthy economic growth we believe is fallacious. We fear inflation and that undesirable Government controls and emergency power grants will follow us surely as night follows day.

To the credit of the 87th Congress, it rejected summarily the Kennedy request for authority to draw up a new agricultural program—subject only to a congressional veto. This would have reversed, in effect, the respective constitutional roles of the two branches of Government.

Likewise, and of great import, was the chilly reception given by Congress to the President's plea for borrowing authority to finance foreign aid outside of the normal appropriation process. This back-door spending authority was sought on a vast scale to avoid the constitutional legislative scrutiny and control over money drawn from the Treasury. In particular, the House of Representatives deserves credit for this victory in the executive-legislative tug of war. This is important because the Congress will become a mere rubber stamp unless it jealously guards its constitutional prerogatives to control the Federal purse.

An early battle was won by President Kennedy through the "packing" of the House Committee on Rules. While the objective of this action was stated as intended to allow the House to work its will on legislation, in actuality the New Frontier leadership used this control to "bottle up" 53 conservative bills and resolutions and to grant 11 "gag" rules.

Early in the session business conditions and the economic slump caused many Members to support welfare state legislation, but as recovery set in even the controlled Rules Committee cold-shouldered many must administration bills.

As for action on specific pieces of legislation, the House deservedly defeated a Federal aid to education measure. The Area Redevelopment Act which included a boondoggle "sweetener" for southern rural areas, unfortunately did pass. Also enacted into law was an $8 billion housing bill which included provisions to grant Federal assistance to local communities for things which these governments could and should do for themselves. This was the biggest political pump-priming bill in history.

As a Republican I have on occasion been severely critical of President Kennedy, but I have tried to be fair. Some of my friends sincerely have felt the President should be supported almost unreservedly because of the extremely critical world situation. However, I believe it to be equally important that members of a minority party not waive their responsibility to express opposing views when they feel that way.

I think the majority of Republicans in the Congress have exercised restraint since last January and have exhibited a wholesome attitude of constructive analytical opposition.

Personally, I have freely expressed disagreement with the theory that Federal money taken from the overburdened American taxpayer is the solution to all problems. Also I have been opposed to increasing the Federal debt.

As to foreign policy, I have strongly opposed any appeasement of the Communists. The administration in case after case has made concessions believing these generous acts on our part will be reciprocated. I disagree. Firmness, in my opinion, is the only attitude the Soviets respect. It has seemed to me—and I have aired this view—that in instance after instance we have been helping to dig the grave into which Khrushchev plans to push us. Especially I have objected to shipping food and military materiel behind the Iron Curtain.

In summary, as I see it, with the New Frontier, in spite of the President's excellent speeches, our position in world affairs has deteriorated. Cuba and Laos are only manifestations of an overall weak policy.

At home spend and lend policies have brought our country, it has seemed to me, much closer to the inevitable day of economic reckoning which is, of course, obscured on the surface by the false prosperity of huge military expenditures.

Thanks to the Republican minority in the 87th Congress the impact and dangers of imprudent overspending have been lessened. The setbacks given the Democratic leadership in this regard are in line with our belief that the people are not asking what the Government can do for them—rather the people are ready to do what is necessary for their Government in this time of trouble.

I look for congressional opposition to the New Frontier's welfare state programs to manifest itself more vigorously in the next session. Meanwhile I would say the accomplishments thus far, depending on one's philosophy, are neither entirely good nor entirely bad. Actually I do not find my constituents too much concerned over what Congress did or did not do in the way of legislation. Rather I find the Berlin situation is much more in the public mind.

As for me I appreciate fully this opportunity to express my views.

Closing Remarks by Per Jacobsson, Annual Meeting of International Monetary Fund, Vienna, 1961

EXTENSION OF REMARKS
OF
HON. HENRY S. REUSS
OF WISCONSIN
IN THE HOUSE OF REPRESENTATIVES
Wednesday, September 27, 1961

Mr. REUSS. Mr. Speaker, I include in the RECORD the closing remarks of Mr. Per Jacobsson, managing director of the International Monetary Fund, at the annual meeting of the Fund in Vienna, Austria, September 22, 1961:

I think I am right in saying that a larger number of Governors spoke on Wednesday during the Fund meeting than in any previous annual meeting. In the course of their speeches, many Governors described the situations in their own countries and the problems which they are facing. There were also many observations about the work done by the Fund, and suggestions for the future; and, in particular, many Governors referred to the question of the adequacy of the Fund's resources.

It is evident that much thought has been given to the preparation of the various statements which we have heard, and I should have liked to be able to comment in detail on them all. I am sure you will agree, however, that it would be impossible for me to do so today, but I can assure you that very careful attention will be given in the Fund to what has been said here at this meeting.

All I can do today is to refer more specifically to one or two of the more general points that have been discussed.

A number of Governors referred—as I had done in my opening remarks—to the difficulties of the raw material producing countries resulting from the weakness and fluctuations in the prices of their export products.

The Governor for Malaya requested that the Fund's staff should study this whole complex of questions, and I would like to assure him and the other speakers who referred to this matter that these questions have been considered, and will continue to be considered, most carefully in the Fund. Indeed, as you know, members of the staff took part in the discussions held by the group of experts appointed by the Secretary General of the United Nations to study international compensation for fluctuations in commodity trade.

Many Governors also referred to the difficulties encountered by developing countries in their efforts to export to the industrialized countries. This is a matter which is causing concern in many quarters of the world, and I am certain that the representatives of the industrialized countries have carefully noted what has been said. Aid without opportunity for trade will be of little long-term benefit to the developing countries, and will therefore not fulfill the objectives of those who grant the aid. While the benefits of a multilateral payments system are recognized and accepted, we must give due weight to the fact that trade liberalization has not progressed sufficiently, and certainly not in fields which are of importance for the achievement of a better balance between the richer and the poorer countries. There are still restrictions and discrimination in the field of trade and shipping, and the Fund will continue to be interested in these matters. As several Governors have stressed, one of the purposes of the Fund is to facilitate the expansion and balanced growth of international trade. The Fund will make every effort to pursue this objective within the scope of its functions. In this, and other matters, the Fund welcomes continued cooperation with other international and regional organizations.

From the discussions at this meeting, I think it is clear that there is complete agreement that monetary stability is the only safe foundation for sustained economic growth. That this has become so widely accepted is vital to the Fund in its work, for a stabilization program can never be truly effective unless all those involved in its implementation are convinced of its necessity.

The Governor who spoke first at our meeting on Wednesday—the Governor for Austria—laid great stress on the need for monetary discipline which had had such beneficial effects in his, as well as in other, countries. Many other Governors emphasized the same theme—and I conclude that there is worldwide agreement on this. As the Governor for the Netherlands so impressively pointed out, the monetary authorities have to tread a narrow path, particularly between inflation and deflation. This was a useful reminder of the difficulties of this task. I fully agree with him that our problems are primarily problems of monetary management, for whatever dangers may be inherent in certain of our institutional arrangements, I think good policies can overcome them, especially if international resources, when needed, are used to gain the time for the proper execution of a domestic program of action.

I think that the consensus at this meeting has been that the present monetary system should be maintained because it has served the world well during the years since the end of the Second World War. I agree with the Governor for France, however, who said: "While recognizing that the world cannot, in the present state of affairs, fail to apply the system of the gold exchange standard, we must remain conscious of the risks of this system." We believe that the system needs to be strengthened, mainly because the possibility of the transfer of funds from one country to another can cause difficulties against which a proper defense should be provided.

We have heard from the Governors of the two main reserve countries, the United Kingdom and the United States, that their Governments are determined to make all the efforts necessary to maintain a satisfactory balance of payments position and to preserve the value of their currencies. To enable the existing monetary system to work effectively, full confidence in the reserve currencies is indispensable, and we welcome these statements.

At the same time, an essential part in the present system is played by the International Monetary Fund, as a central agency lending strength to the currency structure. I think it has generally been agreed at this meeting that the Fund should be adequately equipped to help to deal with those problems that affect the stability of the system. And it is for this reason that we have been discussing the question of the strengthening of the Fund's resources by borrowing currencies under article VII of the Fund agreement. Attention has been concentrated on making arrangements with the governments of the main industrial countries. This is of course a question of profound interest to all members of the Fund, for they all are vitally interested in measures designed to meet any major strains on the world's monetary system.

I am glad to be able to say that all the Governors who touched on this subject expressed a positive interest in the Fund making suitable borrowing arrangements to meet this contingency, and it is particularly heartening to find a broad measure of agreement among the countries that would be the expected lenders under such borrowing arrangements. As a result of this week's meeting, I am confident that an arrangement can be worked out, large enough to be a powerful deterrent to any threat to the stability of our system. By its very existence, such an arrangement may indeed be expected to have a calming effect.

I mentioned in my opening statement that general safeguards for the lending members would have to be provided in any borrowing arrangement which would be established. Much attention has been devoted to this aspect in the discussion—and this is certainly a matter to which a great deal of attention must be given in the coming negotiations. Much work remains to be done, but my hope is that this work could be concluded by the executive directors before the end of this year. If that aim is achieved, there would be sufficient time for the member countries who will participate in this borrowing arrangement to seek early next year whatever authorizations are needed to give effect to the arrangement in their own countries.

In addition, several Governors, including those for Canada, France, Germany, the United Kingdom and the United States, referred to the possibility of the Fund borrowing currencies from one or more of its member countries when, for other requirements of the Fund, the Fund's holdings of those currencies need to be replenished. Of course if the Fund needed to replenish its holdings in this way it would agree with the lender on all the terms on which this would be done.

It has been my experience that during all the work on the development of Fund policies and activated which has now been going on for many months, we have achieved a much better understanding of the working of our monetary system, and the role that the Fund may play in it. In the same way, we have found the discussions at the present meeting very useful and illuminating, and I am sure that the work which remains to be done will increase the understanding of our common problems.

I would like to take this opportunity to say a word about my friend, Robert Garner. I first met him at the time he was doing so much to help to organize the World Bank, and of course I have seen more of him since I came to Washington, while he was setting up the International Finance Corporation, and guiding it through its first formative and difficult years. He is a man who knows his own mind and has always been refreshingly outspoken. While we shall no longer have the opportunity of hearing his address to the Governors of the IFC, I trust and hope that we shall continue to hear a great deal from him in other capacities.

You are all aware from the annual report of the Executive Directors and from what has been said at the meeting that this has been a year of unprecedented work and activity for the Fund. I am grateful indeed for the kind remarks you have addressed to me personally, but I would like to remind you that the increased pressure of work has devolved very largely on the Deputy Managing Director, Mr. Cochran, and on the whole staff of the Fund, and I think great thanks are due to Mr. Cochran and the staff for the work they have performed and the untiring devotion they have shown to the true interests of the Fund and the member countries. I would also like to thank the Executive Directors for all their work and help, not only during the formal discussions in the Board, but also in the day-to-day efforts which must precede any formal Board decisions.

Before leaving this city, I should also like to join those others who have thanked our Austrian hosts for all the courtesies and hospitality they have extended to us during this strenuous week, and we must also thank the International Atomic Energy Agency, as well as the Austrian Government, for the help they have given us in arranging this meeting.

I would like to end these remarks by commenting on what I believe to be one of the most favorable aspects of the world financial position today. I refer to the growing sense of mutual cooperation and community of interest in financial matters between the nations of the free world. The Fund has played and will endeavor to play a useful role in fostering this sense of interdependence among the nations, both through meetings such as this, and in the regular consultations with member countries and discussions in the Executive Board.

Keep the U.N. Alive

EXTENSION OF REMARKS
OF
HON. EMILIO Q. DADDARIO
OF CONNECTICUT
IN THE HOUSE OF REPRESENTATIVES
Wednesday, September 27, 1961

Mr. DADDARIO. Mr. Speaker, a respected businessman in Hartford, Conn., has long shown his interest in civic affairs through willing support of worthy causes. William M. Savitt, who has built a substantial reputation in the community for his interest in people and in the world, recently devoted an advertising column to a most pertinent comment on the death of the United Nations Secretary General.

I am submitting this column for the RECORD so that it may be read by many in this country who would not otherwise have an opportunity to see it:

[Reprinted from the Hartford Times]

KEEP THE U.N. ALIVE

(By Bill Savitt)

Dag Hammarskjold's untimely passing has saddened all who have shared his hope and dream of peace on earth.

He had a passion for peace, world peace. He lived for it. He worked for it. He gave his life in trying to attain it.

As Secretary General of the United Nations, he endured the slings and arrows of international politics. The Soviets wanted him ousted. Even among Western Powers he met resistance. His was a lonely job. And finally he was to die tragically in a plane crash in Africa. His death, too, came when he was on a peace mission.

Dag Hammarskjold personally was of a reserved and withdrawn nature. But he worked for the benefit of all mankind. He was able and astute in dealing with the hates, prides, and cross-purposes of nations. He advanced the concept that the little nations must have equal votes with the larger ones. He kept the international society alive.

His funeral will be held tomorrow in his home city, Stockholm. Delegations from the United States and other countries will pay their respects. In many lands, flags will be at half mast. Heads will be bowed, and prayers said for this great martyr of peace.

Dag Hammarskjold did not achieve his ultimate goal; the world is still war beclouded, still frightened and sad. But he did make notable progress in uniting human society and in trying to find ways to "beat swords into plowshares and spears into pruning hooks." He has made his mark on history.

Who will replace him? Who can replace him? What can we do? Let's bend our efforts in support of the United Nations. Let's keep the U.N. as a living memorial to Dag Hammarskjold and bring our strength to the cause of world peace.

Perhaps some day we'll find ourselves closer to the brotherhood of man.

Résumé of Veterans Legislation, 1st Session, 87th Congress

EXTENSION OF REMARKS
OF
HON. OLIN E. TEAGUE
OF TEXAS
IN THE HOUSE OF REPRESENTATIVES
Wednesday, September 27, 1961

Mr. TEAGUE of Texas. Mr. Speaker, the 1st session of the 87th Congress was a very busy one for the Committee on Veterans' Affairs. Eleven laws were enacted out of the 24 reported. It is interesting to note that the number of bills introduced—457—exceeds the number referred during the entire 82d or 83d Congresses and is nearly equal to the number introduced in the 85th Congress.

General hearings were held on the subjects of compensation for service-connected veterans, pension for non-service-connected veterans, as well as insurance, hospitalization, and housing.

Under leave to extend my remarks, I include a summary of the laws which have been enacted, as well as the various bills which have been reported and acted upon by the House or Senate:

SUMMARY OF VETERANS' LEGISLATION REPORTED, 87TH CONGRESS, 1ST SESSION

LAWS ENACTED

Public Law 87-84 (H.R. 5723): Extends period of time during which World War II and Korean conflict veterans may obtain benefits under the guaranteed and direct loan programs; increases maximum amount of direct loan from $13,500 to $15,000; and provides an additional aggregate amount of $1.2 billion for use in the direct loan program. New expiration dates follow:

Ten years from date of discharge from last period of active duty, any part of which occurred during World War II or the Korean conflict, plus an additional year for each 3 months of duty during the applicable war period. Entitlement is not continued after July 25, 1967, for World War II veterans or after January 31, 1975, for Korean conflict veterans. Final expiration date for the appropriate war applies for those with service-connected disabilities, or for certain veterans eligible for reinstatement of entitlement, regardless of length of service (July 25, 1967, for World War II and January 31, 1975, for Korean conflict). If loan report or application for loan guarantee is received by Administrator of Veterans' Affairs (or, in the case of direct loans, if Administrator issues commitment) prior to date of expiration of a veteran's entitlement, the loan may be guaranteed (or a direct loan may be made) after such date. Refinancing of delinquent indebtednes may be accomplished within the veteran's eligibility period.

The Secretary of the Treasury is directed to advance to the Administrator of Veterans' Affairs, as the Administrator may request, for use in the direct loan program, the following sums:

After enactment	$100,000,000
After June 30, 1961	400,000,000
After June 30, 1962	200,000,000
After June 30, 1963	150,000,000
After June 30, 1964	150,000,000
After June 30, 1965	100,000,000
After June 30, 1966 (for use through June 30, 1967)	100,000,000

(Approved: July 6, 1961.)

Public Law 87-97 (H.R. 866): Requires that decisions of the Board of Veterans' Appeals shall be in writing and shall contain findings of fact and conclusions of law separately stated. Effective January 1, 1962. (Approved: July 20, 1961.)

Public Law 87-99 (H.R. 7148): Provides that if a veteran dies in a Veterans' Administration facility in any State, as defined generally for purposes of title 38, United States Code (i.e., each of the several States, territories, and possessions of the United States, the District of Columbia, and the Commonwealth of Puerto Rico), or the Canal Zone, the remains may be transported to the place of burial in any such State or the Canal Zone. (Approved: July 21, 1961.)

Public Law 87-101 (H.R. 2953): Permits the combination, or tacking, of two or more separate periods of service during more than one period of war in satisfying the 90-day service requirement for payment of non-service-connected disability or death pension to veterans and their widows and their children. (Approved: July 21, 1961.)

Public Law 87-102 (H.R. 6269): Provides, in all cases, that whenever an individual is discharged or released from active duty he shall be deemed to continue on such duty—for the purpose of veterans' benefits—during the period of time immediately following the date of such discharge or release required for him to proceed to his home by the most direct route, and in any event until midnight of the date of such discharge or release. This rule was formerly limited by section 106(c), title 38, United States Code, to those separated from active duty after December 31, 1956. (Approved: July 21, 1961.)

Public Law 87-138 (H.R. 845): Increases from $10 to $100 the monthly pension payable to holders of the Congressional Medal of Honor; permits payment, upon application, at age 50 instead of the former requirement of attaining the age of 65 years; and pays holders of the medal whether or not they are on active duty. (Approved: August 14, 1961.)

Public Law 87-223 (H.R. 4539): Provides for payment in cash of one special dividend on policies of insurance issued to approximately 660,000 Korean conflict veterans under section 621 of the National Service Life Insurance Act of 1940, or converted or exchanged for insurance under section 723(b), title 38, United States Code. Dividends were not previously payable.

Provides for payment of the dividend to those veterans who have converted to the "W" type (nonparticipating, permanent, level premium), or to those who hold the "RS" type (nonparticipating term) if the latter group converts within 2 years to the permanent "W" type of insurance. Should a veteran holding an "RS" type of policy die before expiration of the 2-year period allowed for conversion, the dividend would be payable to his estate.

The legislation provides authority in the Administrator of Veterans' Affairs to transfer in the future to the general fund of the Treasury such amounts as are determined to be surplus to the needs of the fund. The law requires that administrative cost of paying the special dividend be borne by the surplus in the revolving fund, which at enactment amounted to approximately $60 million. (Approved: September 13, 1961.)

Public Law 87-240 (H.R. 1098): Provides that a flag shall be furnished to drape the casket of each deceased veteran of Mexican border service. More specifically, it provides that for the purposes of furnishing of burial flags the term "veteran of any war" will include any veteran who served in the active military or naval service during the period beginning on January 1, 1911, and ending on April 5, 1917, in Mexico, on the borders thereof, or in the waters adjacent thereto. (Approved: September 14, 1961.)

Public Law 87-268 (H.R. 6969): Dependency and indemnity compensation is paid to a widow whose husband died of a service-connected cause on the basis of $112 a month plus 12 percent of the basic pay of the vet-

eran according to rank and years of service. In effect, this means that the lowest payment would be $122 monthly and the highest $337. On the other hand, a widow eligible for non-service-connected death pension and whose income does not exceed $1,000 per annum and having as many as five children could receive payments of $135 monthly. The payment of $122 for dependency and indemnity compensation is for both the widow and the children. This legislation authorizes the Administrator of Veterans' Affairs to pay a veteran's widow or child an amount equal to the greater amount to which the beneficiary would be entitled under the pension program; however, payment will be made as dependency and indemnity compensation. (Approved: September 21, 1961.)

Public Law 87-314 (H.R. 8414): Permits the Veterans' Administration to use its revolving supply fund for the repair and reclamation of personal property. The Comptroller General, on December 13, 1960, ruled that there was no statutory authority for the Veterans' Administration to employ processes and pay for services which did not meet a specific need of the agency, but which would be beneficial to the taxpayer and the Government as a whole. (Approved: September 26, 1961.)

Public Law 87-377 (H.R. 3587): Provides outpatient treatment for veterans of the Indian wars on the same basis as is provided for veterans of the Spanish-American War.

In passing H.R. 3587, the Senate adopted an amendment which incorporates the features of S. 2051, as referred to the House from the Senate, without an amendment added to that bill at time of passage in the House. The House amendment to S. 2051 would have provided increases in rates of disability compensation payable to service-connected veterans. (See sections relating to S. 2051, H.R. 879 and H.R. 856.) S. 2051, as originally referred to the House from the Senate, and the amendment incorporated in the Senate to H.R. 3587 in which the House concurred, affords children of certain veterans (those who died of service-incurred or service-aggravated disabilities) who were eligible for benefits of the War Orphans Educational Assistance Act of 1956 but who, because of residence in the Republic of the Philippines, were unable to receive such assistance prior to enactment of Public Law 85-460 (effective June 18, 1958), additional time to complete their education. It permits all eligible persons under age 23 on June 29, 1956, and who would be otherwise unable to train after June 29, 1961, a full 5 years after June 18, 1958, in which to avail themselves of war orphans educational benefits, subject to their having resided in the Republic of the Philippines during some or all of the period between enactment of the original act and the enactment of the amendment which permitted training in the Philippines. (Approved: October 4, 1961.)

PASSED HOUSE AND PASSED SENATE WITH AMENDMENT, RETURNED TO HOUSE

H.R. 856: As originally passed by the House, the bill provides a new plan of insurance for national service life insurance policyholders (primarily World War II veterans). The plan is modified life insurance which provides a level premium throughout the life of the insured at a premium rate lower than that now available for permanent insurance, but the face value of the policy would be automatically reduced by 50 percent at the end of the day preceding the insured's 65th birthday. The face value of any extended term insurance in force under the modified life policy would also be reduced by 50 percent at that time. The bill permits NSLI policyholders to convert their term insurance or exchange their permanent plan insurance for the modified life plan. Policyholders who convert to the modified life plan may elect to retain the insurance otherwise lost at age 65 by paying premiums for age 65 without medical examination.

The bill was designed to reduce the magnitude of the problem which will develop 20 or 25 years hence as the 3 million holders of term policies attain advanced ages and term premium rates become progressively more burdensome with each 5-year renewal. This problem is now faced by some 15,000 World War I veterans who failed to heed advice of the Veterans' Administration to convert their policies to permanent insurance.

A comparison of premium rates proposed by the bill with rates under existing plans follows:

Age	Annual premium for the modified life plan	Annual premium, present rates		Level premium after age 65	
		5 LPT (term)	O.L. (ordinary life)	If 50 percent face continued	If 100 percent face continued
30	$9.83	$8.41	$18.47	$9.83	$43.22
35	11.72	9.00	21.31	11.72	45.11
40	14.09	10.06	25.10	14.09	47.48
45	17.17	11.72	30.07	17.17	50.56
50	20.84	15.04	36.94	20.84	54.23
55	25.22	20.95	46.53	25.22	58.61
65		47.00	78.97		

The Senate Finance Committee, in reporting the bill, made no changes in the above provisions; however, amendments were added which would accomplish the following, and the bill was returned to the House from the Senate with these provisions added:

(1) The provisions of H.R. 879, a compensation rate increase bill for service-connected disabled veterans, as originally reported by the Committee on Veterans' Affairs and passed by the House, that is, without amendments to H.R. 879 adopted by the Senate Finance Committee providing for reduction of the rates for 10-, 20-, and 30-percent disabled and removal of section relating to presumption of service connection of the disease of multiple-sclerosis (see section relating to H.R. 879).

(2) The provisions of S. 977, a bill which seeks to provide a 2-year period, beginning January 1, 1962, during which those individuals who were at one time eligible to apply for national service life insurance but whose policies are no longer in force, or who never applied, or those who have less than the maximum of $10,000 in force, may reapply for such insurance to $10,000 maximum (largely World War II, but some Korean conflict veterans). Premium to be paid at attained age. Administrative cost to be borne by policyholders. Physical examination required and cost of such examination to be borne by applicant. Does not permit reapplication by World War II service-connected disabled veterans, but does permit such reapplication by Korean conflict service-connected veterans. Premiums for World War II veterans based on mortality tables in use during World War II; for Korean conflict veterans, premiums based on mortality tables in use during Korean conflict.

On Speaker's table in House: September 5, 1961, following amendment by Senate.

H.R. 879: Provides for increases in rates of service-connected disability compensation payable to veterans of all wars and peacetime service to reflect the changes which have occurred in the cost of living since the last compensation increase in 1957, as well as to more adequately compensate the seriously disabled veterans. Average overall increase provided by the bill is approximately 9.2 percent. Exact percentage increases for various degrees of disability and for those eligible to receive statutory awards appear in the following table, along with estimates of cost:

Degree and paragraph	Cases, wartime	Cases, peacetime	Current wartime rate	H.R. 879 as reported[1] to House	Percent of increase, H.R. 879 as reported, over current rate	Current peacetime rate	H.R. 879 as reported,[1] peacetime rate	Total costs, H.R. 879 as reported to House
10(a)	752,739	47,724	[1] $19	$20	5.3	$15	[1] $16	$9,605,556
20(b)	285,824	14,410	[1] 36	38	5.6	29	[1] 30	7,032,696
30(c)	271,120	15,985	[1] 55	58	5.5	44	[1] 46	10,143,960
40(d)	157,989	6,866	73	77	5.5	58	62	7,013,040
50(e)	105,202	4,885	100	106	6.0	80	85	7,867,644
60(f)	82,416	4,090	120	127	5.8	96	102	7,217,424
70(g)	41,203	2,180	140	148	5.7	112	118	4,112,448
80(h)	25,261	1,010	160	169	5.6	128	135	2,813,028
90(i)	7,122	190	179	190	6.1	143	152	960,624
100(j)	74,987	9,626	225	245	8.9	180	196	19,845,072
(k)	2,775	292	309	335	8.4	247	268	939,384
(m)	2,094	295	359	385	7.2	287	308	727,668
(n)	377	16	401	435	8.5	321	348	159,000
(o)	142	45	450	500	11.1	360	400	106,800
(p)	2,194	160						1,393,200
(o)+(r)	3,085	705	150(600)	200(700)	16.7	480	560	4,378,800
(s)	10,600	900	265	285	7.5	212	228	2,716,809
Total								87,933,144

(k) Anatomical loss, or loss of use of a creative organ, or 1 foot, or 1 hand, or both buttocks, or blindness of 1 eye, having only light perception, rates (a) to (j) increased monthly by ($47 additional to basic compensation paid monthly for veteran with these disabilities; this $47 rate unchanged).

Anatomical loss, or loss of use of a creative organ, or 1 foot, or 1 hand or both buttocks, or blindness of 1 eye, having only light perception, in addition to requirement for any of rates in (l) to (n), rate increased monthly for each loss or loss of use by ($47 additional to basic compensation paid monthly for veteran with these disabilities, this $47 rate unchanged).

(l) Anatomical loss, or loss of use of both hands, or both feet, or 1 hand and 1 foot, or blind both eyes with 5/200 visual acuity or less, or is permanently bedridden or so helpless as to be in need of regular aid and attendance, monthly compensation.

(m) Anatomical loss, or loss of use of 2 extremities at a level, or with complications, preventing natural elbow or knee action with prosthesis in place or has suffered blindness in both eyes, having only light perception, or has suffered blindness in both eyes, rendering him so helpless as to be in need of regular aid and attendance, monthly compensation.

(n) Anatomical loss of 2 extremities so near shoulder or hip as to prevent the use of prosthetic appliance, or suffered anatomical loss of both eyes, monthly compensation.

(o) Suffered disability under conditions which would entitle him to 2 or more rates in (l) to (n), no condition being considered twice, or suffered total deafness in combination with total blindness with 5/200 visual acuity or less, monthly compensation.

(p) In event disabled person's service-incurred disabilities exceeded requirements for any of rates prescribed, Administrator, in his discretion, may allow next higher rate, or intermediate rate, but in no event in excess of $150.

(q) Minimum rate for arrested tuberculosis. (This $67 monthly rate is unchanged.)

(r) If entitled to compensation under (o), or the maximum rate under (p), and in need of regular aid and attendance, while not hospitalized at Government expense, additional monthly aid and attendance allowance.
(s) If totally disabled and (1) has additional disability independently rated at 60 percent or more, or (2) is permanently housebound.

[1] Senate passed version of bill provided reduced amounts for 10-, 20-, and 30-percent disabled, as follows:

	Wartime rate	Peacetime rate
10 percent	$19.50	$15.50
20 percent	37.00	37.00
30 percent	57.00	57.00

Section 2 of the bill (which had its origin in H.R. 3350) provides that veterans who are receiving the statutory award of $450 and also additional compensation of $150 while not in a hospital will have their compensation continued until the first day of the second month which begins after they are hospitalized. If a veteran leaves the hospital against medical advice and is thereafter readmitted, the aid-and-attendance allowance during this period of hospitalization would be discontinued from the date of readmission for so long as that hospitalization continues.

Section 3 of the bill increases the presumptive period for multiple sclerosis from 3 to 7 years. (This section removed by Senate amendment.)

In addition to amendments described above, the Senate also added an amendment identical to that described in item (2), H.R. 856.

On Speaker's table in House: July 18, 1961, following amendment in Senate.

PASSED SENATE AND PASSED HOUSE WITH AMENDMENT, RETURNED TO SENATE FOR FURTHER CONSIDERATION

S. 2051. This bill is intended to afford children of certain veterans (those who died of service-incurred or service-aggravated disabilities) who were eligible for benefits of the War Orphans Educational Assistance Act of 1956 but who, because of residence in the Republic of the Philippines, were unable to receive such assistance prior to enactment of Public Law 85–460 (effective June 18, 1958), additional time to complete their education. It would permit all eligible persons under age 23 on June 29, 1956, and who would be otherwise unable to train after June 29, 1961, a full 5 years after June 18, 1958, in which to avail themselves of war orphans educational benefits, subject to their having resided in the Republic of the Philippines during some or all of the period between enactment of the original act and the enactment of the amendment which permitted training in the Philippines.

In passing the bill, the House adopted an amendment which incorporated the features of H.R. 879, as passed by the House on June 5, 1961. That bill provided increases in rates of service-connected disability compensation payable to veterans of all wars and peacetime service to reflect the changes which have occurred in the cost of living since the last compensation increase in 1957, as well as to more adequately compensate the seriously disabled veterans. Average overall increase provided by H.R. 879 and by the amendment adopted to S. 2051 is approximately 9.2 percent. The exact amount of increases for various degrees of disability appear in the section "H.R. 879." The amendment also incorporated provisions of sections 2 and 3 of H.R. 879. The amendment to S. 2051 did not include the provision relating to national service life insurance which the Senate had previously attached as an amendment to H.R. 879.

Senate action: Substance of original bill, without House passed amendment relating to compensation, passed as amendment to H.R. 3587; September 14, 1961. See section relative to Public Law 87–377.

On Vice President's desk.

BILLS PASSED BY HOUSE, REFERRED TO SENATE COMMITTEES

H.R. 846: The bill proposed to add "deafness of both ears, having absence of air and bone conduction" to the other types of service-connected disabilities specified in the law pertaining to veterans' disability compensation for which an additional award in the amount of $47 monthly is provided.

Senate committee action: Tabled, June 29, 1961.

H.R. 848: Provides vocational rehabilitation for veterans disabled in the service during the period between World War II and the Korean conflict and makes this a permanent program by extension of the benefit to those disabled after the Korean conflict.

The vocational rehabilitation program provides training for 4 years, with the Veterans' Administration paying for books, tools, and supplies, as well as providing assistance and guidance in determination of the type of training which would assist the veteran in overcoming his service-connected disability. The bill provides for a presumption that those who are 30 percent or more disabled are in need of vocational rehabilitation and would provide assistance for those less than 30 percent disabled if the veteran demonstrates his need for such training.

Senate committee action: None. (A Senate bill, S. 349, was reported on August 10, 1961 (S. Rept. 700), which provided for readjustment benefits (educational and loan guarantee) for those with more than 180 days of service between the period January 31, 1955, and July 1, 1963, and included a section containing the text of H.R. 848. S. 349 was not considered on the floor of the Senate.)

H.R. 858. Provides that the annual salary of the manager of a Veterans' Administration hospital, domiciliary, or center shall be $17,700, and a director of professional services $17,450. Today, such rates vary but the rates prescribed by the bill are, in the case of the manager, at least $500 more than managers receive, and in the case of the director of professional services, the rate is at least $250 additional.

Senate committee action: None.

H.R. 859: Proposes repeal of mustering-out payments of between $100 and $300 for veterans of the Korean conflict. The effective date of repeal, January 31, 1965, is the date of expiration of other benefits provided by the Veterans' Readjustment Assistance Act of 1952 (the Korean "GI bill").

Senate committee action: None.

H.R. 860: Repeals obsolete provisions of title 38, United States Code, relating to unemployment compensation for Korean conflict veterans. Benefits are not payable under the program to which the bill relates for any benefit week beginning after January 31, 1960. This obsolescence is occasioned by enactment of the Ex-Servicemen's Unemployment Compensation Act of 1958, which established a permanent program of unemployment compensation for ex-servicemen and provided that, beginning in October 1958, military personnel would be entitled to unemployment benefits upon separation from active service in the Armed Forces as if they were subject to coverage under a State law.

Senate committee action: None.

H.R. 861: Authorizes payment in a lump sum of the total amount of compensation, representing the statutory awards of $47 monthly for the anatomical loss or loss of use of a creative organ and $67 monthly for arrested tuberculous disease, which would have been payable for the period August 1, 1952, to the date of the bill's enactment had claim therefor been filed on August 1, 1952 (the effective date of Public Law 427, 82d Congress, which first provided such statutory awards for World War II and Korean conflict veterans). The bill would apply to all cases in which the condition involved was determined, before August 1, 1952, as service connected, and would require reduction of the amount payable by any such statutory awards paid during that period. The bill would require that an application for the benefits be filed by the veteran concerned within 2 years from the date of enactment and would preclude payment of any accrued benefits on behalf of any veteran who died before the date of enactment.

Senate committee action: None.

H.R. 873: Authorizes payment of the statutory award of $47 per month for each anatomical loss or loss of use specified in the law (i.e., one hand, one foot, blindness in one eye, having only light perception, both buttocks, or one or more creative organs), in addition to the basic rates of disability compensation and the rate payable to those who are permanently housebound (but in no event to exceed a total of $309).

Senate committee action: Tabled, June 29, 1961.

H.R. 5939: Provides that after expiration of the Korean conflict veterans' education and training program, approval of courses under the war orphans' educational assistance program shall be by State approving agencies. Specifically, it would amend chapter 35 to incorporate within that chapter those provisions of subchapters V and VI of chapter 33 (relating to State approving agencies and approval of courses of education and training, respectively, under the Korean GI bill) which apply to war orphans' educational assistance.

Senate committee action: None.

House Joint Resolution 73: This resolution has two purposes: (1) to determine what steps shall be taken to improve the care and rehabilitation of veterans who are elderly, chronically ill, or otherwise handicapped, and (2) to relieve the problem faced by the Veterans' Administration because of increasing utilization of its limited hospital beds by long-term patients, thus reducing beds available for other types of patients.

The special study sought to be authorized by the resolution would be conducted by the Veterans' Administration at a maximum cost of $300,000. It would be directed at determining the advisability and practicability of various methods of rehabilitation and of preventing physical and mental deterioration of veterans receiving or entitled to receive hospitalization or domiciliary care from the Veterans' Administration. The services of not more than 500 veterans who are receiving long-term hospital or domiciliary care from the Veterans' Administration would be utilized. The resolution requires that the study be completed before December 31, 1963, and report with recommendations to be made to the Congress by March 31, 1964.

Senate committee action: None.

REPORTED BY HOUSE COMMITTEE, PENDING ON UNION CALENDAR

H.R. 2417: Proposes to increase by 10 percent the monthly rates, dependency and indemnity compensation, payable to eligible parents and children of veterans dying of service-connected causes.

House Report No. 437, May 26, 1961.

	Congress							
	80th	81st	82d	83d	84th	85th	86th	87th (1st sess.)
Bills and resolutions referred	498	619	436	402	537	491	628	457
Hearings sessions	60	64	50	46	71	69	55	22
Hearings, printed pages	3,596	2,355	2,562	5,337	4,271	4,834	3,472	1,666
Executive sessions	49	34	27	55	37	28	21	8
Bills reported	60	44	36	36	48	44	42	24
Bills in House	16	1		14	1	5	2	3
Pending in Senate committees	6	16	14	2	17	11	6	9
Bills on Senate Calendar or in Senate		1	1	2			1	1
Recommitted		1	1			1		
Bills vetoed	1	2	4			1		
Bills passed over veto		1	2					
Laws enacted	36	24	22	25	30	26	33	11

Financial Operations of the International Monetary Fund During the Past Year

EXTENSION OF REMARKS
OF
HON. HENRY S. REUSS
OF WISCONSIN
IN THE HOUSE OF REPRESENTATIVES
Wednesday, September 27, 1961

Mr. REUSS. Mr. Speaker, I include in the RECORD a statement by Mr. Per Jacobsson, Managing Director of the International Monetary Fund, on the financial operations of the International Monetary Fund during the past year, at the annual meeting of the Fund in Vienna, Austria, September 18, 1961:

In all, 32 countries from all the continents of the world have received financial assistance from the fund or have had drawing rights under standby arrangements during the period since our last meeting. With the exception of the United Kingdom, all of these countries can be said to depend largely on the export of primary products. But the balance of payments difficulties which these countries have experienced have not as a rule been solely due to weakness in the prices of their export products, for many have also suffered from excessive internal demand connected with their own credit and fiscal policies. As long as the general level of prices on world markets was still rising, it was possible to expect that in the individual countries a certain amount of credit expansion would be absorbed by rising prices; but now that the general price level is more stable, an expansion of credit beyond the current requirements of the economy is likely to be reflected with little delay in a deficit in the balance of payments. In several cases the situation has been rendered more difficult by the continued maintenance of complex and discriminatory exchange systems. With the widespread desire to establish or maintain orderly monetary conditions and to simplify exchange systems, fund assistance has generally been requested in support of fiscal, monetary or exchange programs and the assistance has been given in the form of standby arrangements. In fact, of the 22 countries which have drawn from the fund during the past year, all but three have entered into a standby arrangement.

It would clearly be impossible for me to discuss in detail all these financial operations of the Fund. I should, however, like to mention briefly a few which have had unusual features and which seem to me to be of particular interest.

First of all, I should like to say a word about the drawing and standby arrangement granted to Yugoslavia at the end of last year. A total of $75 million, together with substantial credits from the United States and a number of European countries, was made available to Yugoslavia in support of an extensive exchange reform and program of trade liberalization designed to strengthen the Yugoslav economy and to integrate it more closely with the world economy. The immediate drawing, of the equivalent of $45 million, was made in six currencies—French francs, deutsche mark, Italian lire, Netherlands guilders, sterling, and United States dollars, and this was the first occasion on which a drawing was divided among a large number of currencies in accordance with the policy of diversifying the currencies to be used in drawings and concentrating on the currencies of countries with strong payments and reserve positions. The drawing of Italian lire was the first that had been made in that currency.

The operation with Chile in February of this year also contained a number of special features. The financial difficulties created by the earthquakes in May 1960, and uncertain prospects for the world price of copper, led Chile to enter into a standby arrangement with the Fund for the equivalent of $75 million in order to help maintain its program of economic stabilization. At the same time, Chile drew Argentine pesos amounting to a further $16 million to be used in partial settlement of the balance accumulated by Argentina under the bilateral trade and payments agreement between the two countries, which had already been terminated in anticipation of the transaction. This was the first time that a Latin American currency had been drawn from the Fund, and the first time that the Fund's resources had been used directly to assist a member to terminate a bilateral arrangement in accordance with an Executive Board decision taken in 1955. In addition, Chile was the first country whose outstanding drawings and available drawing rights under a standby arrangement exceeded the equivalent of 100 percent of its quota.

Four particularly large transactions—with Australia, Brazil, India, and the United Kingdom—have been carried out during the last 5 months. In these transactions the policy of diversifying the currencies to be drawn and concentrating on the currencies of countries in strong payments and reserve positions was continued.

The transaction with Australia in April, which involved a drawing totaling the equivalent of $175 million in seven currencies and a standby arrangement for an additional $100 million, was made in support of the Government's efforts to improve its foreign payments position by means of fiscal, monetary, and other measures. These efforts have been most successful, and I am happy to be able to add that, in view of the improvement in the position, the Australian authorities canceled the standby arrangement early this month after it had been in effect for only 4 months instead of a year.

Under the standby arrangement concluded with Brazil in May, the equivalent of $160 million was made available to support a broad financial program of fiscal, credit, trade, and exchange measures, designed to combat inflation and to achieve balance of payments equilibrium within the framework of a free and simplified exchange system. In addition to the standby arrangement, the Fund agreed to the rescheduling of the repayment of previous drawings totaling the equivalent of $140 million. The arrangement with the Fund has been supplemented by substantial credits from other sources and by renegotiation of Brazil's medium-term foreign obligations. Rapid advance has been made in unifying the exchange system, and early in July the Brazilian Government transferred all payments which had previously been affected at preferential rates to the free market.

The drawing by India approved in July, which totaled the equivalent of $250 million, was made in six currencies. This included a drawing in Japanese yen, the first occasion on which a member country had drawn an Asiatic currency from the Fund. India, whose foreign exchange reserves had fallen to a low level, requested the drawing at a time of seasonal reduction in certain raw material exports, and in order to bridge the timelag in the receipt of development aid under the third 5-year plan.

With these large transactions and the many smaller ones, it is clear that the Fund has done much to assist countries, both large and small, which are endeavoring to diversify their production and generally to develop their economies, but which still depend mainly on the export of primary products. Insofar as such development is financed by long-term foreign capital, the actual use of these resources will normally be reflected in a deficit in the current account of the balance of payments. Provided that the other elements of the balance of payments are in equilibrium, this current account deficit would be matched by the external financing, and there would then be no overall deficit. When this has not been the case, requests have frequently been made to the Fund for financial assistance, and then the purpose of the assistance granted has been to help the countries concerned to put their overall situation in balance. The 3 to 5 years for which such assistance has been granted has been intended to provide the time needed for the appropriate measures to take effect, and thus to relate the long-term development to the available long-term finance.

Turning now to the transaction with the United Kingdom last month, I would like to describe briefly the background of the international movements of funds which preceded it. I have already referred to the large movements of funds out of the United States last autumn and winter—partly to take advantage of high interest rates in Europe. A part of this flow went to the United Kingdom, where a construction boom and a marked increase in investment in plant and equipment had led to a substantial demand for finance, and, consequently, to a high level of interest rates. The inflow of funds from the United States and other centers led to an increase in reserves, in spite of the deteriorating position of the current account of the United Kingdom balance of payments. The British Government used part of the increase in reserves to repay in advance the drawing made from the fund in 1956, and also to reduce the Fund's holdings of sterling to 75 percent of quota.

Following the statement made by the President of the United States in February, the outflow of funds from the United States was sharply reduced, but there was still a movement of funds into a number of countries on the Continent in Europe, especially Germany, due at least in part to continued rumors about the revaluation of the deutsche

mark. The revaluations of the deutsche mark and the Dutch guilder by 5 percent early in March, however, gave rise to a new crop of rumors about further currency changes. All this proved very damaging to confidence, particularly in sterling because of the deterioration on the current account of the United Kingdom balance of payments. The authorities in the countries concerned strongly denied the rumors, but to small avail. It was even believed that the Swiss franc would be revalued, despite the growing deficit on the current account of the Swiss balance of payments, to which the Swiss National Bank drew attention.

In this situation a number of central banks—members of the Bank for International Settlements in Basle, as well as the Federal Reserve System of the United States—decided to cooperate more closely in the spot and forward exchange markets and in the granting of credits. In this way substantial resources were provided in aid of sterling, but this in itself did not arrest the outflow of funds from London. Steps were needed to remove the imbalance in the British economy and to obtain the external resources required while the steps were taking effect. Using, inter alia, certain powers proposed in the budget that had been submitted in April and voted in July, the British Government introduced toward the end of July a comprehensive series of fiscal and monetary measures, and certain other policies, designed to eliminate the deficit in the current account of the balance of payments, without imposing any restrictions on trade or current payments and, in particular, to restore confidence in sterling at the existing rate of exchange. The measures adopted by the United Kingdom showed the Government's determination to deal with both the immediate situation and developments over a longer period, particularly in relation to future budget expenditure and the level of costs.

In support of these measures, the United Kingdom drew from the Fund the equivalent of $1,500 million in nine currencies: United States dollars, deutschemarks, French francs, Italian lire, Netherlands guilders, Belgian francs, Japanese yen, Canadian dollars, and Swedish kronor—the first time the latter currency had been drawn from the Fund—and, in addition, entered into a standby arrangement for the equivalent of a further $500 million. The United Kingdom authorities announced that of the amount drawn the equivalent of some £200 million would be used during the following month or two for repayments of credits. This transaction with the United Kingdom was by far the largest ever entered into by the Fund, and in order to replenish its holdings of the currencies drawn, the Fund sold gold valued at $500 million to the countries concerned, in the proportion of one-third of the United Kingdom drawing in each currency.

The six transactions which I have mentioned are noteworthy for the size of the amounts involved and other special features, but it would be a false picture of the Fund's activities if it were concluded that the transactions with other countries had not also been of real importance. Perhaps the simplest way for me to indicate the wide range of Fund transactions is to enumerate all the countries which have received financial assistance from the Fund over the last 12 months. Twenty-two countries have drawn from the Fund, namely, Argentina, Australia, Bolivia, Brazil, Ceylon, Chile, Colombia, Ecuador, El Salvador, Honduras, India, Indonesia, Iran, Mexico, Nicaragua, Paraguay, South Africa, Turkey, both the Egyptian and the Syrian Regions of the United Arab Republic, the United Kingdom, and Yugoslavia. In addition, 10 countries—Costa Rica, the Dominican Republic, Guatemala, Haiti, Iceland, Morocco, Peru, Spain, Uruguay, and Venezuela—have had standby arrangements in effect during the year, although they had not found it necessary to make use of their drawing facilities. In fact, Spain felt able to cancel its standby arrangement with the Fund 5 months before it was due to expire.

It is of interest to note that 18 of the 20 Latin American Republics are included in this list. Over the years, Latin American countries have drawn the equivalent of some $1,100 million from the Fund. With the equivalent of a further $400 million available under unused standby arrangements with 16 of them, it is clear that the Fund has played a significant role in assisting the countries of Latin America in their efforts to overcome financial and economic difficulties.

Remarks by Dr. Edward C. Welsh, Executive Secretary, National Aeronautics and Space Council, Air Force Association Symposium on "Space and National Security"

EXTENSION OF REMARKS
OF
HON. EMILIO Q. DADDARIO
OF CONNECTICUT
IN THE HOUSE OF REPRESENTATIVES
Wednesday, September 27, 1961

Mr. DADDARIO. Mr. Speaker, Dr. Edward C. Welsh, executive secretary of the Space Council, recently stated that we have space missions to help keep the peace, and space missions to help increase our ability to live well in peace. His remarks, at the symposium on space and national security sponsored by the Air Force Association at the 15th national convention in Philadelphia, are well worth the thoughtful consideration and study of the House:

REMARKS BY DR. EDWARD C. WELSH, EXECUTIVE SECRETARY, NATIONAL AERONAUTICS AND SPACE COUNCIL, AIR FORCE ASSOCIATION SYMPOSIUM ON "SPACE AND NATIONAL SECURITY"

Today, I am scheduled to launch a few capsules of fact and views regarding the national space program. Any messages conveyed during this brief orbit will be my own, and should not be thought to come from the National Aeronautics and Space Council, as such.

By way of introduction, it might be useful for me to make three broad generalizations which, in a sense, express my philosophy of this space challenge.

First, we are in a space race, and it is absurd to pretend that we are not. We are, moreover, not in the contest just for the fun of racing, but rather for our survival as a nation determined to protect its freedom and also as a nation determined to maintain and increase the margin of the material and spiritual advantages of a free society. We have no honest choice to do otherwise in view of the Communist threat. Having finally decided to run instead of walk, we can and, I believe, we will win the race.

Second, we should be making a vigorous effort in space development, in space exploration, and in space competence, even if no other nation were doing anything at all in space. The potential benefits flowing from this effort are so great that we would have no right to deprive our children or future generations of them, regardless of what the Communists decided to do.

Third, I believe that the values received from our space efforts will exceed the costs many times over. These values will be reflected in education, in medicine, in metallurgy, in international prestige, in diplomatic negotiations, in defense against aggression, and in higher standards of living generally. We can get all that for an annual expenditure averaging perhaps 1 percent of our gross national product.

Those generalizations indicate my attitude toward the space program. Now, I want to draw your attention to some aspects of the space picture which may fit more specifically into the discussion anticipated here today.

The National Aeronautics and Space Act of 1958 states that it is the policy of the United States that "activities in space should be devoted to peaceful purposes for the benefit of all mankind."

That is a sound policy for any vigorous, peace-loving nation. Even though it is sound, however, I know also that it is sometimes misinterpreted. It does not mean that space has no military or defense uses.

I believe that the Defense Department's space vehicles such as ICBM's, Midas, Samos, and others, in the hands of the United States, are designed for peaceful purposes. Nothing is more essential for peace than the capability to discourage or deter attack.

In my view, we do not have a division between peaceful and nonpeaceful objectives for space. Rather, we have space missions to help keep the peace, and space missions to help increase our ability to live well in peace.

The Space Act itself goes on to recognize this dual approach to peaceful uses of space in its subsequent language. For example, it states that a civilian agency (NASA) shall exercise control over aeronautical and space activities, except that the Department of Defense shall have the responsibility for those activities primarily associated with our national defense. Moreover, the act requires that there be an exchange of information on space between the Department of Defense and the NASA. If only one agency were expected to be fully responsible for space programs, there would be no occasion for that provision.

Furthermore, the act created the National Aeronautics and Space Council to advise and assist the President in a whole series of functions involving policies, plans, and programs of all departments and agencies engaged in space activities.

While I do not want to dwell upon it, I do pause to mention a historical footnote. When the proposed language for this act was sent to the Congress by the executive branch of the Government in 1958, it was phrased so as not to give clear responsibility to the Department of Defense for space activities primarily associated with military missions. It is possible that this omission was a result of careless drafting or evidence of disinterest in military application to space or just optimism regarding our military position relative to that of the Communists. In any event, the Congress saw the error and changed the language.

As I just pointed out, the Space Act created a Space Council. There also was no provision for this policy-level organization in the original bill. As most of you know, even after the act was passed, the Space Council was left dormant, and it was not until the new administration came in that the Council was given the go-ahead to function.

The Council's responsibilities to advise and assist the President are as broad and comprehensive as the President may request. They are not limited to one or two agencies of the Government, but rather are applicable to the entire aeronautics and space field. For example, in one policy assignment handled by the Council, nine Government agencies were directly involved.

It is within the scope of the Council's functions to look into matters of duplication and to make recommendations for actions regarding such duplication. In my

judgment, it is more important to cure duplications of omission than duplications of performance. In the latter the job gets done even though it may be done wastefully, while in the former the job doesn't get done at all.

The following are some of the actions in which the Space Council has participated, since its revitalization almost 6 months ago:

1. Drafted an amendment to the Space Act, which put the Vice President on the Council, as its Chairman. The other permanent members are the Secretary of State, the Secretary of Defense, the Administrator of NASA, and the Chairman of the AEC;

2. Recommended the policy decision to accelerate the large booster program and proceed toward a manned lunar trip under NASA's direction;

3. Coordinated and submitted to the President an overall new space program which was presented to and passed by the Congress. This included the new project for a large solid fuel rocket to be developed by the Department of Defense;

4. Assisted in the decision to include AEC's nuclear power unit in a scheduled Defense Department launching;

5. Prepared and recommended to the President the communication satellite policy;

6. Prepared and recommended to the President a policy on the Defense Department's West Ford project.

I have heard again and again convincing statements as to the advantages for some types of missions that manned aircraft have over manned missiles. Many of these same arguments stand up equally well in comparing manned spacecraft with unmanned spacecraft. In both cases we need both.

The advantages of men in space vehicles seem to me to be obvious. There are observations, maneuvers, actions, and inactions concerning which decisions can be made by men and cannot be made by instruments alone. These facts are equally applicable, in my judgment, whether the spacecraft is on a mission to maintain the peace or on a mission limited to increasing our scientific knowledge.

I conclude these brief remarks with a perhaps unsophisticated but nevertheless alarming thought. The Communists have expressed their determination to dominate the world, and they will use all methods available for attaining that objective. We are already well aware of their use of space accomplishments as well as pronouncements and other actions to increase tensions and influence negotiations. They now have manned spacecraft, and they are pushing to increase this capability. You may be sure that they are not spending such effort and resources unless they believe firmly that it can be justified in terms of world domination. Manned spacecraft can be used, in the hands of aggressors as well as in the hands of defenders, for active military purposes. In the hands of Communists, they can also be used for blackmail purposes.

We do not dare leave this field to those who would destroy in order to gain power, just as we do not dare to leave empty-handed those who would build in order to retain freedom.

The United Nations

EXTENSION OF REMARKS
OF
HON. JOHN P. SAYLOR
OF PENNSYLVANIA
IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 27, 1961

Mr. SAYLOR. Mr. Speaker, one of the most lucid and logical analyses of conditions currently prevailing in the United Nations—and their effect on the United States and the world in general—appeared in the Johnstown, Pa., Tribune-Democrat on September 20. Under unanimous consent I include the article in the CONGRESSIONAL RECORD at the conclusion of my remarks. I commend it to the attention of every Member of Congress. I am today sending copies to President Kennedy and to U.S. representatives to the United Nations.

The death of Dag Hammarskjold may very well have touched off the final countdown for the very life of the United Nations. If, otherwise, operations were to continue along present lines, then its demise would be a service to nations of the free world. For too long the organization has inclined toward fratricide, with each succeeding victim obviously having been marked for destruction by the association of assassins in the Kremlin.

The record speaks for itself. From the time that the organization came into being, countless millions of peoples have been swallowed into the Communist orbit. Contrariwise, how many human beings have been permitted to shed the Communist yoke during that period? The answer is that only those able to break successfully from the prison that is communism have gained their freedom. Not a single inch of land has been released from the Red terror through action of the United Nations.

What has been happening in the Congo is nothing less than tragic. The United Nations, most of whose financial support comes from U.S. taxpayers, is even today providing the arms, the men, and the orders for a virtual war on the one province of that region which has preferred to be identified with the West. Yes, the single anti-Communist unit in the Congo is not allowed to be free, independent, and non-Communist because the United Nations will not permit it to be.

What is on the agenda ahead is even more disgraceful and immoral. Red China has been permitted to advance to the threshold and now awaits only the opening of the doors which have already been unlocked. Such action will not only bring representatives of this country into association with another band of murderous beasts, but it will also make possible for these bloody bandits to enter this country with diplomatic status. Under the circumstances it might be hoped that Red Chinese delegates would enter New York from the west rather than by way of the Atlantic for it would be too great a humiliation to expose the Statue of Liberty to this type of experience. Here is a part of that famous poem on the tablet at the pedestal of the statue:

"Keep ancient lands, your storied pomp!" cries she with silent lips. "Give me your tired, your poor. Your huddled masses yearning to breathe free. The wretched refuse of your teeming shore. Send these, the homeless, tempest-tost to me. I lift my lamp beside the golden door!"

The tired, the poor, the homeless—yes. Archcriminals, murderers, fiends—no.

If, on the other hand, the United Nations becomes the moral force as envisioned as a possibility by the editor of the Tribune-Democrat, then it may not be in its adult years the utter futility of its infancy and maturity. The background of the United Nations, it is true, was not conducive to good breeding. One of its principal designers was later found to be a traitor to this country, and Stalin's bloody fingerprints cannot be erased from the charter.

Its upbringing has taken place in an environment that would challenge the will of even the most virtuous. With a membership consisting of many hoodlums, thugs, and shoe pounders, it is understandable that the organization could not continually remain on the straight and narrow. The fact that it has followed other courses all too often, however, cannot be overlooked. If it is ready to reform, then we must forgive and encourage. If it is not, there is no alternative but to do it in before it extends its disservice to humanity and to the world.

FUTURE OF WORLD DID NOT REST ON LIFE OF ONE MAN

Secretary General Dag Hammarskjold was unquestionably a man of great ability and great integrity, and a diplomat of the first order. His shocking death, not yet fully explained, at this particular moment in history plunges the United Nations into disorder—partly because the Soviet Union intends to make it difficult to choose a successor of comparable quality.

Yet it is possible to grieve sincerely for the untimely death of a world leader without wringing our hands over the potential results of his death upon the future of the world. That future did not rest upon the shoulders of one man. It rests upon the courage, foresight, and initiative of all the leaders and all the citizens of the earth who are determined to preserve human freedom and security.

We tend too much in this and other countries to choose a leader, and then wash our hands of further responsibility and leave the decisions up to him. To a considerable degree that was done with the late Secretary General Hammarskjold. The United Nations and the world depended too much on him, and looked to him to preserve the U.N. against the assaults of its, and our, enemies. That he accepted this burden does not alter the fact that it was too heavy for one man to carry.

Now the United States, the most powerful nation the world has ever seen, is compelled to accept the responsibility its power imposes upon it. It must become in truth the leader of the so-called free world—that is, the portion of the world which is determined to avoid submission to the monstrous despotism of the aggressive Communist conspiracy. Moscow does not alone possess the power of veto in the U.N. We have it too. The Soviet Union does not have a preponderance of nuclear weapons. We have that, as the resumption of Soviet testing confesses.

But above all the United States has the great moral issue in this contest of wills. It is not the United States which raises barber wire entanglements and concrete walls to keep people from fleeing its oppressions. It is not the United States which rattles nuclear bombs over the heads of smaller nations for purposes of intimidation. No one fears America. Fear is the weapon of the Soviet Union and Red China—along with intrigue, subversion, and conspiratorial secrecy.

The men of Moscow hated Dag Hammarskjold, because they could not intimidate

him. Whatever and whomever they cannot control, they seek to destroy. Wherever they are in control, the people suffer. Their empire is infested with human discontent. They rob their victims of all but subsistence, and allow them that only because it is necessary to procure their labor. And this grim, unholy tyranny they propose to inflict upon all the peoples of all the earth.

We can no longer temporize with this corruption that has spread across too much of the earth. There is talk of possible choice of some neutral, in Hammarskjold's place, who will be acceptable to Moscow. That way lies disaster. Khrushchev has said himself there is no neutral man. How can there be, when the issue is between the armed and murderous burglar and the policeman? To permit a wishy-washy compromiser to hold this position would be fatal.

Either the United Nations represents a great moral principle, or it is worse than useless. If it admits Red China, whose hands still are red from the blood of United Nations soldiery, to membership it forfeits its right to be regarded as a moral force in the world. If it accepts the veto in the Secretary Generalship, or puts in that office one who stands neuter between the Communist horror and the bright hopes of freedom, it forfeits its right to represent humanity.

If it must perish, as the League of Nations did, because its members do not have the courage of their convictions, then perish it must. For it will no longer be a useful instrument of world policy—only a forum in which the conflicts of the world are aggravated.

Perhaps, now that Dag Hammarskjold is gone and the stark clarity of the conflict between archaic despotism and forward looking democracy is no longer obscured by his presence at the head of the world organization, the smaller nations will be able to see more clearly their own responsibilities—and their own destinies. If they do, Hammarskjold in death will have done what he had hoped, and failed, to do in life.

The choice is clear, and the smaller nations must make it. They hold the life or death of the United Nations in their hands. In any event, the United States will survive—perhaps not as we would wish it, perhaps for a time as a garrison state armed to the teeth, but it will never be conquered by any outside force. Not so, the wavering or the nonalined. They can find security only in allying themselves with the one power that can protect, but does not threaten them.

Let us be sure they understand this, and understand that their moment of decision has come. We do not contend that they must stand with us, but that they must stand with the future dignity, security, and self-government of mankind.

Remarks by Congressman Daddario at Air Force Association Symposium on "Space and National Security"

EXTENSION OF REMARKS
OF

HON. EMILIO Q. DADDARIO

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 27, 1961

Mr. DADDARIO. Mr. Speaker, I recently had the opportunity to discuss some phases of our national space program and the need to utilize our resources and facilities wisely when I participated in the symposium on space and national security at the Air Force Association panel on September 22 in Philadelphia. I offer my remarks for the RECORD:

REMARKS BY CONGRESSMAN DADDARIO AT AIR FORCE ASSOCIATION SYMPOSIUM ON "SPACE AND NATIONAL SECURITY"

Previous speakers, Dr. Welsh and Dr. Dornberger, have spelled out the threat that confronts us as the result of the Russian space effort. I need not take the time to reiterate their views in support of the idea that such a threat exists.

It is obvious that the Russian space program has increased the prestige and power of that nation throughout the world. One needed only to view the first sputnik as it hurtled out of the western sky—as I did with my children and my neighbors—to be impressed. But on that day as I looked at those small faces turned to the sky, I could not help but feel that the excitement generated was one of wonder and not of fear. Since then, the Russians have put up 12 sputniks. Over 65 percent of the sputnik satellites have carried living specimens. This series has included a dummy mechanical man, biological tests with living animals and radiation instrumentation. The 11th flew Gagarin; the 12th, Titov. As these advances have been made, the wonder has become saturated with fear. For people cannot believe that the Russian space effort, once fully developed, will not be used for military purposes as part of their arsenal of weapons and vehicles.

I have for some 3 years now heard conflicting and diverse views as to how this threat should be met. Indeed, I have often heard it pronounced that the Russians have no intention to use their space capabilities for military purposes. If we were to follow that school of thought, we could one day wake up to a sky full of armed satellites hovering impregnable in space over the critical centers of the free world, and from that moment freedom would be lost forever. I would doubt if there is one U.S. intelligence estimate which suggests that we should develop our own strength on the basis that Russian intentions in space are peaceful.

As one step toward meeting the Russian challenge in space we must solve the problem of antimissile missile system. Our defensive capacities must include such a system as a beginning toward the preparation of a defense against satellites.

We already have a formidable capability available to us as we face the Russian challenge. Our soldiers have learned to live dug into the Arctic ice pack for months on end. The wide variations between heat and cold on a moon constantly bombarded by meteorites will most likely force us to live beneath its surface. These skills learned here on earth can be readily transferred to use in the moon program.

Similarly the Navy's experience in submarine work, where men live and operate in closed environments, is most valuable to research. The test on long undersea voyages with an atomic submarine is comparable to experiences that will be undergone in space travel.

The Air Force offers the most valuable talents, for its mission has been to place man in the widely divergent environments in which he must exist. It has put man through the stresses of extremes of temperature, speed, and endurance. Space is a natural challenge to the Air Force, and the target of the Moon, Mars, and Venus are logical steps to the conquest of this frontier. For our security depends on the adaptability of our defense capabilities to use all environments and to prevent them from being used against us. Abundant technological know-how is available in private industry. Research and development skills are of the highest order and only the call and the direction to be of service is awaited. And in the establishment of NASA we have a civilian agency with exceedingly great opportunities to assist in this effort.

It has always been my idea that there is nothing mysterious in this challenge in space and that our technical resources—civilian and military—are available in sufficient amounts not only to catch up to the Russians but to surpass them, and this before they can seize space for their own exclusive use.

What then must we do?

First of all, we must utilize all of the skills, resources, and facilities available to us. The Space Act of 1958 says that activities in this field must be conducted in such a way that we achieve the most effective utilization of the scientific and engineering resources of the United States, with close cooperation among all interested agencies of the United States in order to avoid unnecessary duplication of effort, facilities and equipment.

This legislative directive must be strictly enforced. Every Government laboratory and the personnel attached thereto must be utilized to the fullest. Additional laboratories should not be built unless they are aboslutely necessary. There should be the minimum dislocation of personnel. Ways and means must be established to support necessary existing projects while we utilize available personnel and facilities to meet this new challenge and develop the additional base for the intensified effort. For while I have said sufficient capacity exists, there is not the time to allow for inefficiency or misdirection.

By Presidential directive dated March 6, 1961, the Air Force was made the primary DOD agency to manage space programs. In this respect the directive carried out, I believe, the principle set forth in the report of Dr. Jerome Wiesner and his committee that recommended the President establish a single responsibility within the military establishments for managing the military portion of the space program. It is my belief that this should be carried further to be made effective. One Department of Defense representative should be named to deal directly with NASA in all matters affecting the use of facilities and personnel to accomplish missions, both civilian and military.

In that way, and under such circumstances, we can achieve the most effective utilization of the scientific and engineering resources of the United States as we approach the accomplishment of national goals in space.

Let us consider as an example the moon program as such. President Kennedy has assigned a top priority to this project. Yet, both civilian and military experts who have discussed it have mentioned many intermediary problems that exist which must be solved as part of this effort. Civilian authorities have testified that these should be taken in order and solved before we try the more ambitious problems. One scientist has testified that there are basic biological investigations that are going to have to be made if we take seriously sending man to the moon and to the planets. Observers more aware of the Air Force capabilities and the Air Force program have stated that the lunar project is a natural focus for the vast space activity. They feel, as do the civilian scientists, that in order to achieve a manned lunar landing and return certain basic space capabilities must be developed. These are the same capabilities required for a large scale military, scientific, and technological utilization of space. They are military necessities and vital to our national security in the opinion of no less an authority than our moderator.

Yet, I think there is a basic difference in approach between the civilian and military proponents. The civilian scientists who have

testified in this area in the past have appeared to me to be cautious to an extreme. They wish to move slowly from step by step, to reach their goal, without the necessary urgency. The Air Force, however, because of its experience in taking man into increasingly hostile environments, wants to recognize a specific terminal goal of the moon landing as the logical extension of progressive development of greater capabilities in the uses of space.

My concern is to move together on these two paths. We must make sure that the civilian approach does not overlook the capabilities which are militarily useful and necessary in its scientific quest. So far, we have heard much of the usefulness of instruments in American programs with occasional efforts to downgrade the role of man. Yet, I submit that beyond the question of exploration of this environment must always lie the question of how man can control the uses of that environment to enhance his own security and well-being.

There is, of course, the clear and obvious reason that the development of space has identified it as another avenue of approach in the military sense, to be recognized in security planning. The position of the moon makes it a logical, critical terrain feature in this possible theater of operations. However, just as important from the view of space science is the data we will learn from lunar exploration, by instrument as well as by manned probes that may lead to solutions of questions regarding extraterrestrial life, the origins of the solar system and of life itself and the exploitation of resources which may lie fallow in and among the planets for the benefit of mankind.

We have no alternate choice. We are bound by the ingredients of time, money, manpower and materiel. They offer challenges in themselves that must be met. How well we manage them will determine our success. The development of outer space is a national goal. The civilian and the military must work side by side in this space effort and break down any barriers that exist between them. Let us remember that when our big boosters roar upward at Cape Canaveral, the words lettered on them will not read "NASA" or "Department of Defense," but simply: "United States."

The IMF and the World Monetary Order

EXTENSION OF REMARKS
OF
HON. HENRY S. REUSS
OF WISCONSIN
IN THE HOUSE OF REPRESENTATIVES
Wednesday, September 27, 1961

Mr. REUSS. Mr. Speaker, I include in the RECORD remarks by Mr. Per Jacobsson, Managing Director of the International Monetary Fund, on the IMF and the world monetary order, at the annual meeting of the Fund in Vienna, Austria, September 18, 1961:

When we consider the Fund's role in the monetary system, it is valuable to keep in mind the two complementary aspects of the Fund's financial activities: on the one hand, the granting of financial assistance by the Fund to help countries to meet an unbalanced position; on the other hand, the assurance that the country receiving the assistance will be taking the necessary measures to restore a proper balance. For such measures to be effective, it is indispensable that the authorities in the country receiving the assistance must be convinced that the restoration of the balance is in their true interest. As the Duke of Vienna said in "Measure for Measure," the one play of Shakespeare to be set in this city of Vienna: "The satisfaction I would require is likewise your own benefit." It is precisely when this identity of interest is fully realized that the programs which are supported by Fund assistance can be carried out in a spirit of mutual confidence and the desired success achieved. For that result, the countries must feel that stability is essential for their welfare as the only true foundation for sustained growth. In taking this view they can be encouraged by the evidence that those countries which have persisted in their efforts, and accepted the transitional difficulties of carrying out a stabilization program, have succeeded in staging an impressive rate of growth.

One of the requirements for economic progress is the availability for investment of real resources, and these cannot for any length of time be obtained by inflationary methods of financing. This is an old truth, but it seems that it has to be rediscovered over and over again. To obtain genuine resources requires, of course, effort. At the time when the richer countries are making considerable efforts to provide resources for the aid of the less-developed countries, these countries in turn will have to make the maximum effort to mobilize their own resources, and, through stability, create the conditions for the domestic and foreign resources to be used in the most effective manner. In creating these conditions, a great many countries have had the support of the Fund, and there can be no doubt that the Fund has thus contributed to the growth in production and trade that has occurred during the last few years.

All this seems clear enough, but I believe it is not convincing to all minds. While I think that nobody will want to maintain that sustained growth can be based on monetary disorder, there seems not seldom to be a lingering fear that stability will mean reduced economic activity, and even stagnation. It is true, of course, that stability is not enough, for the real national objective should be economic growth. Economic growth can be compared with the construction of a good house, with stability as its foundations. A good house can only be erected on solid foundations. Preparing the foundations, however, is not sufficient. There must be further initiative and activity and the necessary resources must be acquired to complete the building. In some countries it seems that the restoration of monetary stability has almost by itself led to a resurgence of activity, and soon produced the savings to finance it. But this is not always the case; in many countries special domestic efforts are needed, and for these efforts to be effective they have often to be supplemented by international assistance, technical and financial. To introduce monetary stability is often only the beginning of the efforts needed to achieve growth. While the subsequent efforts largely fall outside the sphere of Fund activities, the Fund does not underrate their importance and, insofar as it can, is anxious to assist these efforts in every possible way.

Broadly speaking, the financial assistance given by the Fund helps individual countries to keep in line with general monetary trends in the world economy, while avoiding measures that would be disturbing to international trade. This is an important task, but it does not exhaust the scope of monetary action. Our monetary system has to serve an expanding economy. It is not suggested that credit measures alone can engender a high rate of growth; the fiscal and economic structure and the whole range of social and market practices are of vital importance. It may, for instance, be important to remove maladjustments due to mistaken budgetary policies or in the cost and price structure which would retard growth. The conditions under which foreign trade is carried on are also important—and with the new trading arrangements now being established, particular attention must be paid to these aspects. The Fund in its work is naturally interested in these questions, but pays particular attention to matters of monetary policy.

Under modern conditions, the gold flow does not set fixed limits to the possible expansion of credit or international liquidity. Within each country the credit volume may be expanded in response to demand; and the monetary authorities can also take positive action to stimulate, and provide the basis for, credit expansion. Since the Second World War, on the whole, the problem has been to contain the expansion of credit rather than to stimulate it. All countries have been more or less involved in this process, but those countries that are responsible for a high proportion of the world's production and trade must be necessarily play a major role. They are aware, however, that even they cannot act independently of the general trend, and are therefore bound to act in cooperation with each other. Sometimes similar, sometimes complementary, policies will have to be pursued according to the ever-changing situation. The methods of cooperation will vary; there will be direct contacts, but there will increasingly be reliance on international institutions.

In article I of the Articles of Agreement, which sets out the purposes of the Fund, financial assistance by the Fund is only one of the purposes. It is also the objective of the Fund to promote exchange stability and orderly exchange arrangements; to assist in the establishment of a multilateral system of payments; to facilitate the expansion of international trade, and thereby to increase the productive resources of members; and to act as a center of collaboration and consultation. Indeed, without the close contact between the Fund and competent authorities in member countries, it is difficult to see how any of the purposes of the Fund could be achieved. This has been proved time and again to be the case in the annual consultations with article XIV countries. Already excellent results have been obtained in the consultations that have been begun with article VIII countries. Here it is a question of voluntary cooperation, and for that reason I believe that these consultations will be more, and not less, effective. The cooperation has to be inspired by the notion that countries have a common interest as partners in the international monetary system. This system has to be strengthened where it is vulnerable; but the policies pursued must be such that the system plays its proper role in the process of economic expansion. To observe, on the one hand, the necessary monetary discipline, and, on the other, to respond to the needs of expansion is no easy task. It raises many problems, but it is my impression that these problems are now being tackled more effectively than ever before, and with greatly increased chances of success.

Small Business—the Backbone of Rural America

EXTENSION OF REMARKS
OF
HON. JOHN C. KUNKEL
OF PENNSYLVANIA
IN THE HOUSE OF REPRESENTATIVES
Wednesday, September 27, 1961

Mr. KUNKEL. Mr. Speaker, on May 27 I had the honor and pleasure of par-

ticipating in the 80th birthday anniversary celebration of the Brubaker Tool Corp. at Millersburg, Pa. The highlight of the program was the reading of essays of four students of the Millersburg-Upper Paxton High School on the subject "Small Business—the Backbone of Rural America." The second, third, and fourth prize winners were: Polly Dodson, Penny Hottenstein and Jane McCormick.

I would like to include, as part of my remarks, the first prize essay by Miss Anne Sheetz for which she won $250. Both the construction of this essay and the analysis it contains are excellent. It illustrates how keen and alert our young people of today are. Miss Sheetz' essay follows:

SMALL BUSINESS—THE BACKBONE OF RURAL AMERICA

Please read that title again—it states one of the most essential facts about our Nation—one that many of us never stop to think about. We all know that every human body needs a backbone—for support, shape, and transportation. And, rural America needs a backbone, too. Just as the human spine provides support for those 12 pairs of ribs, so also does small business support 12 advantages for rural America. Now, let's consider each of these so-called pairs of ribs in the life of a small community.

Naturally, the first advantage, provided by small business, which we students think of is the encouragement that it gives to us to complete our high school educations. By promising the high school graduate a good job in his own hometown and with excellent chances to get ahead, it urges him to obtain his diploma. And, as the number of graduates from high school is increased, our educational system is strengthened.

The next advantage, which is outstanding in a democratic country, is the promoting of the ideals of free enterprise and competition, both so essential to maintain this land of freedom. Small business provides a means whereby any courageous citizen may start his own industry, independent of any socialistic concern. It also aids in furthering competition, which is necessary if monopolies and unjust prices on consumers are to be avoided. Thus, we find two of the basic American ideals firmly guarded by the small business.

The third "pair of ribs" that small industry supports is that of providing employment to the people of nearby areas. Thousands of American breadwinners find excellent jobs in local small businesses. Also as important are the jobs made available to mothers and older people who desire work, but find it impossible to journey more than a few miles each day to obtain it.

In direct connection with this is the fourth advantage—the raising of the standard of living of the occupants of the nearby region. More money in the hands of these people means a greater buying capacity. A greater buying capacity means more luxuries and, as a result, a higher standard of living.

Now comes our fifth "pair of ribs"—the fringe benefits which aid the ordinary individual in times of trouble, illness, and old age. Small business provides for each one of its employees a certain amount of insurance, etc., which he probably would not have if he were self-employed or working on a farm. Then, if an accident should happen, his family would not be plunged into poverty due to the lack of funds for medical purposes.

Next, we must not forget the markets which small business provides for the raw materials—especially farm products—which are produced in the area. Herein is found our sixth advantage. For example, a grain mill in a rural section furnishes a nearby market for the farmers' produce of wheat, barley, etc.

Small business also aids the growth of the community—our seventh "pair of ribs." It encourages more people to move into the surrounding area, making it possible to be near their everyday jobs. As the business grows, likewise the community will grow and prosper.

In addition to this, is the eighth benefit—that of providing donations to the community. These donations may take the form of monetary contributions to such drives as the United Fund, or they may take the form of the construction of special institutions, such as libraries or museums. Thus, the region benefits culturally.

Members of the surrounding area especially enjoy the ninth advantage of small business—that of purchasing goods directly from the plant at a reduced price. A private blouse factory, for example, may be able to produce a larger amount of garments from the material allotted than is required by the market. These can then be sold at a reduced price to local consumers.

Still another way whereby the community benefits from small business is through the collection of local taxes. Factories, as well as private citizens, are required to pay a certain amount to the support of schools, local government, etc. Thus the small business helps to maintain the vital institutions of the rural community.

The 11th advantage consists of keeping the employees of the community in the town. Small business furnishes a local means for them to gain jobs. This prevents large-scale commuting and fosters a more closely knit community.

The 12th and last "pair of ribs" supported by small business is that of encouraging the establishment of more local enterprises. One factory may require special materials for its processes. Surely it would be more convenient, as well as money-saving, to be able to acquire these products from a nearby plant, set up for the express purpose of supplying them. And, there are many forward-looking men who are willing to grasp the opportunity of establishing such a plant, thereby creating another small business in the locality.

Thus, we have completed the 12 essential ribs of rural America. And, all are supported by that sturdy backbone—small business.

The Brubaker Tool Corp., was founded 80 years ago by the Brubaker family. Up until 6 years ago, it was owned and operated by the family. At that time Mr. Charles G. Beavers, Jr., and associates, bought into the company, but the new management has continued the old traditions established by the Brubakers of being a small busines concern employing local people and always aiming at perfection in its products.

Brubaker's quality metal cutting tools have kept pace with the revolution that has been taking place in America's transportation industry—from the necessary tools required by the steam locomotive industry, spanning to the special tools needed in today's space age by the aviation and missile industries.

There are many milestones in the company's growth including its service to war production during World War I and II, but Brubaker is also most proud of the fact that its tools were selected by Adm. Richard E. Byrd for both his 1929 and 1933 Antarctic expeditions. Commanding the best equipped expeditions ever, Admiral Byrd selected Brubaker tools for his metal cutting needs.

Brubaker is today not only a supplier to the aircraft, missile and automotive industries, but is also meeting the most exacting requirements of the optical and instrument industries. It has 250 employees under the management team of Charles E. Beavers, Jr., president, ably assisted by Martin E. Butters, John W. Dowding and James E. Barnette, all of Millersburg, Pa., and George N. Fairchilds and A. William Tilder, of Camp Hill, Pa.

Report by Congressman William H. Avery to the 1st Congressional District of Kansas on the 1st Session of the 87th Congress

EXTENSION OF REMARKS
OF
HON. WILLIAM H. AVERY
OF KANSAS
IN THE HOUSE OF REPRESENTATIVES
Wednesday, September 27, 1961

Mr. AVERY. Mr. Speaker, each year a report is given the residents of my district. The following is the report for the 1st session of the 87th Congress.

The session began by focusing attention on the domestic proposals of the new administration and concluded with foreign affairs and national defense as the prime points of discussion and emphasis.

The Berlin crisis prompted an administration request for increased defense spending giving us the largest defense budget in peacetime history. The total is $46.66 billion of which $3.45 billion was requested by the President after the Berlin crisis. The Eisenhower defense budget request for fiscal year 1962 was $41.86 billion. Total appropriations by this session was $92,500 million.

For legislative purposes, the 1st session of the 87th Congress was the longest session since World War II with the exception of 1949–50, which was during the Korean crisis.

During the 147 days the House and Senate were in session, over 14,026 bills and measures were introduced, and 20,244 pages of proceedings were amassed in the CONGRESSIONAL RECORD. Some 600 bills were enacted into law.

According to the Parliamentarians of the House and Senate, there may have been a possible "first" accomplished during the session. During the last day of the session, the House and Senate agreed to an adjournment resolution which meant each body could adjourn at its pleasure when its work was done. In the wee hours the House passed the supplemental appropriation bill for the executive agencies and then adjourned. The Senate was forced either to accept the bill as passed or there would be no supplemental appropriation, which was essential for the executive agencies. The Senate was compelled to pass the House version. According to the memories of the longtime Hill staff employees, this is probably the first time

one body was able to "force" the other body into affirmative action on a bill.

During the session, your Congressman had a 100-percent attendance record for the meetings of the Rules, Small Business, and Private Calendar Committees, answered 111 quorum calls, and had a 99.1-percent voting attendance record As ranking minority member of the Private Calendar Committee, personally worked on almost one-half of the 423 private bills which came before the three-man committee.

This year it was the honor of your Congressman to receive a recognition which only one other Kansas Congressman has enjoyed. Out of 173 Republican Representatives, your Congressman was selected to serve as one of five on the important House Rules Committee. Generally, the membership of the committee is chosen to represent all areas of the country. The Rules Committee must approve legislation before it is considered by the House.

As an indication of the office operation for the period January 1 to September 1, 1961, a total of almost 25,000 pieces of mail were received. This included over 8,500 first-class letters from the district. There were mailed out during this period about 21,000 pieces of mail, of which 14,225 was first-class mail. In addition, we received almost 150 newspapers per week from the district and 15 per week from elsewhere. During the year, a record number of visitors was recorded. The guest book in the office shows some 650 visitors since the first of the year.

The following is a brief summary of appropriations and some Federal activity for our district:

Civil works projects (flood control activity), $15,075,000.

Soil conservation and ACP work, $2,021,250.

Military construction, $1,827,000.

One of the most significant activities of your office in Washington was the continuation of the "Week in Washington" nonpartisan educational project for college juniors to learn government firsthand. The following schools participate—Kansas University, Kansas State University, Washburn University, St. Benedict's College, and Mount St. Scholastica College. The schools select the students solely on the basis of merit and academic achievement with the only requirement that they be residents of the State of Kansas.

While in Washington, the students visit Congress, committee hearings, both national committees and historic sites. Appointments are arranged with members of both political parties. In general, it is our desire to have the students attempt to obtain a general picture of practical lawmaking and politics at the national level. To date, 20 students have participated. Among the group have been two Rhodes scholars, and one Woodrow Wilson fellowship recipient. The total of honor and academic achievements amassed by the students at their respective schools is astounding. It is interesting to note the majority of students have indicated a desire to continue their education in graduate work to prepare for the teaching profession.

Here is a listing of some of the bills introduced by your Congressman.

Introduced and testified before Judiciary Committee on a bill to provide for the appointment of a third Federal judge for Kansas. A bill providing for additional Federal judges throughout the Nation, including Kansas, enacted into public law.

Introduced legislation to extend the conservation reserve of the soil bank for 3 years. Incorporated into feed grain program.

Offered an amendment to the Interstate Commerce Act to insure adequacy of the railroad car supply.

Introduced a bill authorizing the establishment of the Prairie National Park in Pottawatomie County. At Avery request, National Park Service held special meetings with local residents and is in contact with House Interior Committee requesting that a congressional hearing be held in the area. Among the newspapers endorsing this proposal are the Topeka Daily Capital, Manhattan Mercury, Kansas City Star, New York Times, Washington Star, Christian Science Monitor, and the Washington Post.

Proposed amendment to Constitution relative to equal rights for men and women.

Has a bill to amend Internal Revenue Code to provide a tax reform for small and independent business.

Introduced a bill to provide for reduction in Commodity Credit wheat holdings and restricting quantity of wheat marketable from producers for domestic and export users.

Introduced six private bills for the relief of certain constituents. Two bills have passed the House, one has been enacted into public law, one case has been successfully resolved by administrative remedy, and the other bills are pending before the House Judiciary Committee.

The following is a listing of the votes cast by your Congressman on major legislation acted on by the House during the first session:

Supported bills authorizing additional military funds for national defense including increased strength of all branches of the Armed Forces, stepped-up Polaris program, B–58 bomber production, improvement of military bases, missile sites, and nuclear submarine bases.

Voted against taxpayer funds being spent for subsidized electric power for preferential areas—Hanford project.

Voted against resolution to enlarge or "pack" the House Rules Committee.

Voted for the feed grain program and also for the 1962 wheat program.

Opposed back-door spending provisions for foreign aid program; voted for long-term planning.

Voted for Latin-American program for development and economic progress.

Opposed the establishment of the Peace Corps program on a permanent basis and as another separate and costly Government agency.

Voted for establishment of a U.S. Arms Control and Disarmament Agency for World Peace and Security.

Supported the resolution expressing the sense of Congress against seating of Communist China in the United Nations.

Voted for temporary program to extend unemployment compensation and the bill which applies similar benefits to unemployed railroad workers under the Railroad Unemployment Insurance Act.

Voted for increase in minimum wage but opposed broad extension of coverage to include "local retail establishments."

Voted against establishment of $394 million area redevelopment program.

Voted to extend corporate, liquor, cigarette, and automobile excise tax and the provision raising temporary limit on national debt.

Supported authorization for funds and necessary taxes for completion of Federal interstate highway program.

Supported bill applying Federal laws to crime committed on airplanes engaged in interstate commerce and make hijacking punishable by life imprisonment.

Voted to extend present Federal Airport Act to provide Federal funds to improve air safety measures.

Supported changes in Social Security Act to increase monthly insurance payments, to increase benefits to widows, and provide male workers may draw reduced benefits upon retirement at age 62.

Voted for extension of aid to federally impacted school districts and extension of the National Defense Education Act for 1 year.

Opposed $4.9 billion 4-to-5-year housing program.

Voted against the broad Federal aid to education program providing funds for teachers' salaries and construction of facilities to public and private schools in House Rules Committee.

Supported bill to expand and extend program for Federal grants to States and communities for construction of nursing homes, training of public health personnel, and studies to improve services for aged outside hospitals.

Voted for tax deductions for professional self-employed who set aside income for voluntary pension plan (H.R. 10).

Voted for bill permitting reduced retirement benefits at age 62 under railroad retirement system.

Supported program for grants and scholarships for training of practical nurses under Vocational Education Act.

Voted for extension of school milk program.

Supported authorization to help local communities finance projects to combat juvenile delinquency.

Supported bill to extend life of the Civil Rights Commission.

Supported legislation designed to fight the interstate gambling and crime operations, such as the numbers racket.

Voted for extension of direct housing loan program for World War II and Korean conflict veterans.

Supported increase in rates of compensation for service-connected disabled veterans.

Opposed the expansion of the water pollution control program costing some $58 million.

Voted for funds for National Aeronautics and Space Administration, including research on solid and nuclear propellants.

Supported amendment to Subversive Activities Control Act to bar employment on waterfront facilities and U.S. merchant marine vessels of persons who refuse to answer questions on Communist affiliations.

Favored resolution expressing sense of Congress that Organization of American States reevaluate the role of Cuba in inter-American affairs.

Voted for bill granting permament authority for admission of alien orphans to the United States for the purpose of adoption.

During adjournment, I will be traveling through the First District and will also visit Geary, Wabaunsee, and Wyandotte Counties to meet residents who will be included in our district pursuant to the recent reapportionment. While your office in Washington will be open to take care of your inquiries, we also will have an office in the Hotel Jayhawk, Topeka. Please feel free to contact me at any time if you feel I can be of assistance.

Remarks by Dr. Walter R. Dornberger, Vice President, Bell Aerosystems Co., at Air Force Association Symposium on "Space and National Security"

EXTENSION OF REMARKS
OF

HON. EMILIO Q. DADDARIO

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 27, 1961

Mr. DADDARIO. Mr. Speaker, Dr. Walter R. Dornberger, a pioneer in rocketry, recently discussed the implications of the Russian space program in a talk at the Air Force Association symposium on "Space and National Security" at Philadelphia on September 22. In this speech, which has attracted wide attention, Dr. Dornberger said that the Russian capability in space, used as a tool to obtain world domination, contains the biggest threat of our time in his opinion. I believe his remarks are well worth the attention of the House, and I offer them for the RECORD.

REMARKS BY DR. WALTER R. DORNBERGER, VICE PRESIDENT, BELL AEROSYSTEMS CO., AT AIR FORCE ASSOCIATION SYMPOSIUM ON "SPACE AND NATIONAL SECURITY"

Throughout history it has been of vital importance for any great, growing, and prosperous nation to gain military superiority in the three areas in which military operations take place—on the ground, on the seas, or in the air. Since the last war, space has been added to these areas as a fourth potential field of military operations.

Therefore, in spite of all the propaganda to the contrary, we should have no doubt that the Russian political and military strategists are aiming at military superiority in space. In the last 15 years the decisive role of space for the domination of earth has become increasingly evident. Let me quote just two statements, the first one made by our President a half year ago. President Kennedy said: "Who has superiority in space has superiority on earth." The second statement, made 2 months ago by the Secretary of the Air Force, the Honorable Eugene Zuckert, was: "The United States and the free world must insure that the means of earth domination inherent in space mastery not be preempted by the enemies of freedom. * * * The lesson is that through and from space, earth can be dominated."

Up to now, the Russian space effort has been thoroughly planned far ahead. It is obvious that scientists are not leading this effort, but rather political and military strategists on the highest level. This can be easily proved by the timing of their more spectacular achievement in space, a timing which has fitted so effectively into the overall Russian political strategy of the last few years.

Looking at the Russian space effort, we have to keep in mind that all participating agencies have to follow the directives given by the highest Soviet authority, therewith serving the political ends of this authority, whose objective is world domination.

History should have taught us that moral restraints such as treaties or avowed peaceful use of space never have or ever will influence the actions of a dictator.

Any means will be employed which lead to the final objective.

We can be sure that the Communists have realized that a military stalemate now exists, which may prevent them from ever achieving their goal through conventional political or military means. They know that starting a modern war today means their destruction also. They know they have practically no superior diplomatic or military means available to follow through successfully with their aim at world domination either peacefully, by threat or by war. In such a situation the Russians would be utterly foolish not to direct their efforts toward military superiority in space. According to Khrushchev's repeated statements, they are convinced they are ahead of the free nations of the world in the conquest of this space. Here, I am sure, the Russians recognize an opportunity for obtaining a new and unique military superiority.

It is a fact that space, for the military strategist, is just an extension of his field of military operations into a vertical direction. When we consider, for example, the space between the upper layers of the atmosphere and the lower Van Allen belt, this area alone will be 10 times bigger than all other fields of military operations combined. In this area, without encountering yet unknown hazards, a whole arsenal of the most modern manned, as well as fully automatic weapon systems could be stored and deployed, some remaining in space permanently, some recoverable and reusable.

Besides many others, reconnaissance, weather, navigation, communication, and detection satellites the same as spacecraft for bombardment, inspection, interception, command, maintenance, and supply could contribute to this military space force. If an enforced agreement with Russia about the peaceful use of space cannot be obtained, we will find one day this variety of defensive and offensive weapon systems established and ready to operate.

I see today no unsolved fundamental technical problem preventing the Communists from achieving such a goal within the next 10 years.

Step by step the Soviet space program, starting shortly after the last war, is developing this capability. Today they place payloads manned and unmanned in space, five times heavier than ours. They have the reliable, high-thrust boosters as well as the accurate navigation and guidance systems to do it. By clustering their existing engines and by using solid rockets to assist takeoff, they will be able already in a few years—when we are just starting to use the Saturn—to increase this payload capability to 100 tons for close orbits around the earth. With this payload capability, it will be easy for them to develop, test and operate manned, maneuverable, recoverable military satellites with high reliability and able to rendezvous. Having solved this rendezvous problem, there should be no major difficulty to put the military space force previously described in action.

The Russians already have launched a deep space probe to Venus from a satellite in a parking orbit. It would be just as easy to launch payloads toward earth. With Titov's 24-hour flight they proved to be far beyond the study phase in bioastronautics and well ahead of our man-in-space program. The experience gained in these Russian space achievements—supposedly serving only peaceful purposes—by one single directive from the strategists can be fully utilized in the development and operation of any needed space weapon system.

At the International Law Association meeting in Hamburg, Germany, in September 1960, Prof. Vladimir Koretzki answered when he was asked about the Russian thinking with regard to the upper border of air sovereignty: "The upper border of air sovereignty is fixed by the necessity of any nation to protect its country."

That means the Russians don't recognize any limits in space. They don't care if any one of our space systems flies on a course over Russia or not. As long as they regard it as a threat, they will try to interfere with its mission.

We don't know which Russian space weapon systems will have top priority, but we can be sure that in the very near future, when the Russians are ready, another U–2 incident will occur, this time in space, and if they choose, at the right political moment for the Russians. The target may well be any one of our presently operating or planned satellites, and there is not much we can do about it with our available weapons systems.

Or the Russians may choose a different approach. We may not even learn that a Russian interception took place. They may deny everything and we have no means to prove it. They may try to keep this part of their space effort secret. Certainly they will camouflage it. They may have the ability to guide their manned interceptor space craft to any spot in near space, to land at will and wherever they want. They may keep their interceptor satellites silent and make them hard to track by optical means or by radar, which should not be too difficult.

Out of this first military action in space, a kind of hide-and-seek war in space will result, first without too much effect on the situation on earth. But the Russians will not rest until they have obtained complete control of the space effort of the free world. Our space systems, such as reconnaissance, weather, communication, navigation, detection and interception satellites, which are so vital for our defense and the survival of our Nation will be wiped out of space.

This way, the Russians will achieve military superiority in space. The impact on the political situation on earth can hardly be overestimated. By doing what the Russians are capable of doing in space within the very near future, by wiping out our space systems, they will indirectly weaken our military positions on the ground, on the sea and in the atmosphere. They will change the military balance between the communistic and the free world in their favor. They will achieve their final goal of dictating the conditions of survival to the free world without a war and without firing a single shot on earth.

In this Russian capability in space, used as a tool to obtain world domination, I see

the biggest threat of our time. To counteract this threat in time by appropriate measures is certainly the greatest challenge for our country.

How will we organize, how support financially, how best plan, how will we manage our space effort, what are our goals, where to put the emphasis—these are some of the vital questions for which we better have the answer today.

Space will be conquered for scientific, political, prestige, propaganda, economic and military reasons. All are interrelated. All are important. But I think the military reason is the only vital one. We have to defend the right to be there. That has to be recognized. We have to do everything we can to prevent the Russians from taking over and from controlling space.

I am not advocating that any one of our great civilian space efforts should be canceled or pursued with less eagerness in favor of the military effort. We have to pursue both programs with all we have.

For one single reason: What good would it be, if we really send a crew of three men within the next decade to the moon, getting a tremendous scientific and prestige gain, when coming back, these astronauts may find that the free world does not exist any more?

Let me wind up my short statement with a quotation from a speech the Prussian soldier King, Frederick II, the Great, made in 1760: "God will always be with the strongest battalion."

Let's Back Fight for Freedom—in Red Area, Too

EXTENSION OF REMARKS
OF
HON. HUGH SCOTT
OF PENNSYLVANIA
IN THE SENATE OF THE UNITED STATES

Wednesday, September 27, 1961

Mr. SCOTT. Mr. President, I ask unanimous consent to have printed in the CONGRESSIONAL RECORD the attached article, which is quite timely—Frank Howley's editorial on the Berlin situation. Brig. Gen. Frank L. Howley, retired, is the vice president of New York University and the former Chief of American Military Government in Berlin. His appraisal of the Berlin crisis appeared in the Philadelphia Evening Bulletin on August 18, 1961.

The article follows:

LET'S BACK FIGHT FOR FREEDOM—IN RED AREA, TOO

(By Frank Howley)

Here we go again. This time it is Berlin, but this is only part of the same old operation which has been clobbering us from one end of the world to the other. If anyone has any doubt that our defensive policy against Soviet machinations has failed, this is another proof.

We simply cannot survive on a basis of defending ourselves against Soviet attacks in places of their choice and at times of their selection.

What is happening in Berlin now is a repetition of what happened in Berlin when I was there in 1947, leading up to the blockade of Berlin in 1948. The main difference is that the Soviets, having succeeded then in blockading Berlin, have had 12 years of continued success against us in other parts of the world. They are being swept along by their repeated victories over us.

In Berlin right now they have simply shifted from the diplomatic to the physical. Khrushchev found that at the United Nations he could not have his way even after his rude behavior. The United Nations continues with the same president. Khrushchev found that by negotiation he was not succeeding in the disarmament conferences, because we would not throw away our security. He found that the atomic testing discussions were not giving him what he wanted.

So he shifts his emphasis from negotiation to physical efforts to gain control of Berlin. He fully expects to succeed as he has succeeded in the past.

REDS LOST, BUT WON

It must be remembered that the hunger blockade imposed upon the people of Berlin in 1948–49 was, from the Soviet point of view, though not a total success, still a success.

We were the ones who lost 72 lives. We were the ones who spent a billion dollars, and ended up with the Soviets holding complete control of one-third of the city of Berlin, despite the international agreements which had specified that the city be administered as a whole by all four powers.

This third of the city, now controlled ruthlessly by the Soviets—now harasses the other two-thirds.

In Berlin now comes, as it has in other places, first, propaganda; then, step by step, the use of force against the people. The Communists will try not to give the Western Powers sufficient basis for an all-out effort against them. That will only come from miscalculation, if it comes at all.

On the propaganda front it is Khrushchev who is screaming that Berlin is a bone in his throat. It is we who should have been screaming, during the past years, that the Soviet troops and the Soviet Communist stooges, imposed upon East Berlin and East Germany, constitute an outrageous violation of solemn agreements.

I anticipate that next harassment of Germans will come by way of shipping-clearance papers. A few years ago we permitted the Soviets to compel the use of such papers. All trucking being shipped in and out of Berlin must receive these clearance papers from the nonrecognized East German government.

When this power to control German traffic in and out of the highways, railroads and canals was put into effect by the Soviets, I reported to higher authority that this would be the means of the next blockade of Berlin—a subtle blockade.

THEY HOLD WEAPONS

It still can be done. The economic miracle of West Berlin can be brought down to a crawling economy of unemployment, if the East German government adopts the simple policy of delaying the approval of these clearance papers. Without them no truck, barge or train of the West Berliners can move in or out of the city.

I believe that the Communist stooge government of East Berlin and East Germany will not blockade the Western exit and entrance; or at least will not block the Western Powers from access to and from the city. Instead they will hurt the Berliners while giving us no excuse for major retaliation. They will continue, however, to nip away our rights until we have few or no rights left in the city. This is the pattern they have employed in Berlin in the past, and all over the world against us.

From our point of view there is no answer to the Berlin question short of the answer to the German question.

The Russians must be made to live up their agreement to hold free elections in East Germany as well as West Germany. These elections must be under supervision and be based on a constitution for the entire country. Such elections must be free, otherwise they can be simply a means of turning over the entire country to Communist control. The U.S.S.R. agreed at Potsdam in 1945 to such elections. They have never lived up to their word.

There is a real danger that, in our desire to negotiate we will forget basic principles and agree to some makeshift arrangement that will be entirely favorable to the future control of Germany by the Communists.

PERILOUS BARGAIN

The Soviets would probably be willing to consider a common government for all of Germany with Berlin as its capital, if we would permit them to run their own elections in Communist-controlled East Berlin and East Germany—elections which would be handled without any outside supervision.

This would mean 100 percent representation by Communists for East Germany. Despite the difference in population of 16 million in East Germany under Soviet control, and close to 50 million in the western areas, the Soviets probably would demand equal representation in the common congress for all of Germany.

They might settle for one-third control of all of Germany—providing they could continue to control completely their eastern zone of Germany. This would give them a representation in the German Government; a representation greater than they had in Czechoslovakia when they successfully overthrew the legitimate government by making use of their one-third control.

If we agree to this, the Soviets will use East Germany as a weapon to beat us out of the rest of Germany. We set the precedent for such an idea by going to Paris after the blockade of Berlin was lifted and agreeing to a status quo which meant that the Soviets would take out of common control one-third of the city of Berlin. At that time the Soviets tried to reestablish their share of control over the two-thirds of Berlin, occupied by Britain, France, and the United States. I blocked this move.

JUST STEP 1

The steps being taken now by the Communist East German government in blocking the accesses to West Berlin are, at present, applied only to Germans of East Germany and of East Berlin. This is step one. Before the blockade of 1948, step one was to interfere with the comparatively small traffic of the United States, Britain, and France from Berlin to the West. A month or so after we meekly allowed them to do this, they imposed on the 2.5 million Germans of West Berlin the total hunger blockade which is so well known to all of us.

In dealing with the Soviets it is not enough to carry a big stick and speak quietly. We must carry a big stick and roar. The Soviets understand no other language. The British habit of quiet understatement is a real danger in dealing with the Soviets. Soviets are loudmouths. They scream. They understand the same language in reply. A gentle answer misleads them as to our determination.

The great danger today in dealing with the Soviets is the danger that they will overestimate their power and their ability to get away with another crime. They have good reason to believe they can get away with crimes against us. They successfully got away with the Berlin blockade and even when defeated by our airlift, ended up with more control than they had before.

After we had gone with Mr. Jessup to Paris and agreed to the lifting of the blockade on the basis of "let bygones be bygones," I reported publicly that, the Soviets having successfully gotten away with this crime against humanity, would try again to gain by force that which they were unable to gain politically.

The next try was Korea where the Soviets almost succeeded in gaining complete con-

trol of the entire country. As it was they ended up with control of half of the country.

WORLDWIDE PLAN

From Korea the Soviets moved to Indo-China where they provoked a civil war and had their Chinese Communist allies support the destruction of our friends in Indo-China. Finally they settled for half of the country, now known as North Vietnam, from which they are even now harassing South Vietnam and are causing trouble in the neighboring country of Laos, ably supported by supplies (including guns) dropped from Russian planes.

The Soviet plan in the former Belgian Congo went astray. The Soviets, even though their stooge Lumumba is dead, have now got a very good representatives in Gizenga and have control of the Stanleyville area, plus a big representation in the present chaotic government at Léopoldville. So, the Communists are making progress.

Next on their agenda is Portuguese Angola, south of the Congo River.

I have just returned from Angola where I found the Portuguese doing more for the poor people of Angola than most of the countries which have voted at U.N. to criticize Portugal's colonial policy.

WE DON'T LEARN

It's pointless to go on with the pros and cons in the many things which have been discussed and tried. We never seem to learn. We learned nothing from Laos, Indo-China nor from past Berlin experience. Being good hearted, we have become the international boobs of all time.

It's high time that our government, whether Republican or Democrat, begins to think in terms of the interest of the American people and begins to think in terms of reality. Work that can be done better by missionaries should be done by missionaries, not attempted by hypocritical politicians. International work that can be done better by private enterprise should be done by private industry. The international gangster operations of the Soviets should be called that and should be recognized as such.

We should stop misleading our own youth by giving respect to the Soviets; respect which they derive from international bodies devoted to truth and peace. For the Soviets to participate in the United Nations or for us to even consider the entrance of Red China is to deny the very foundation upon which the United Nations is built.

WOULD BACK REVOLTS

It's high time we indicate a belief in freedom. We are the ones who should be supporting revolutions all over the world—revolutions against tyranny and slavery, and not against only our friends. The best place to start is in Berlin and Germany—right now. After that, can come Hungary, the Balkans and the Baltic nations. Yet, when the freedom fighters of Hungary rose up and set up their own government we couldn't deny them fast enough; we couldn't assure the Soviets quickly enough that we had no hand in the revolution.

Let's, in the future, support these revolutions and encourage them publicly. Let us encourage them to fight for their freedom. There is no better place to start where people are willing to fight for their freedom, than in Berlin and in Germany—right now.

That the Soviets recognize this is indicated by their transfer of their Communist Marshal Konev to command the troops there.

This command shift is not to be against the West, though full propaganda is made of that idea. It is to put down an anticipated uprising of the German people against their slavery. If it does happen again, let's help these people to fight Soviet tanks and the Communist rulers with something other than stones, which is what they had last time.

Let's, for awhile, stop giving the smile technique to the enemy. Let's stop promising him that we won't hit him—we've paid a high price for our spirits of Camp David and for our spirits of Geneva. Thanks to our assuring the Soviets that under no circumstances will we fight, they have been able to concentrate not on building bases all over the world to defend themselves, but upon gaining great advantage by sending men into space. Meanwhile, we have had to defend ourselves at costs of billions of dollars against a possible attack from the Soviet Union. Let's let them be a little uncertain for awhile as to our intention—let's have them spend some real money and effort on defense. We can outlast them if we run by the same rules.

President Kennedy has made a step in the right direction. At least he is speaking with a firmness which represents the American people. Let's pray that our actions continue to be as firm as our words.

Rockefeller and the Railroads

EXTENSION OF REMARKS
OF
HON. CARLETON J. KING
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 27, 1961

Mr. KING of New York. Mr. Speaker, many of my colleagues in the House have expressed their concern about the unplanned railroad mergers now pending and, according to the public press, contemplated. Railroad service is too important to this country to have any part of it destroyed or weakened by uneconomical, hastily conceived mergers. It is my hope that the Interstate Commerce Commission will see to it, when considering applications to merge, that railroads not involved in the mergers will not suffer. There should be a well conceived, intelligent plan for the necessary mergers. That is the Commission's job.

In line with these thoughts and under leave to extend my remarks in the RECORD, I wish to include the following editorial from the September 13 issue of the Springfield Union newspaper, Springfield, N.Y., entitled "Rockefeller and the Railroads."

ROCKEFELLER AND THE RAILROADS

Governor Rockefeller spoke for New England as well as his own New York this week when he asked the Interstate Commerce Commission to take a "coordinated approach" to railroad mergers. New England is deeply involved in the crisis of the eastern railroads, and it could be totally submerged by developments now in the making.

Mr. Rockefeller took the side of the New York Central System in its battle with the Chesapeake & Ohio Railway over control of the Baltimore & Ohio Railroad. The C. & O. claims pledges of enough B. & O. shares to effect a merger. It lacks only the required ICC approval. The Central is in an uphill fight for three alternate objectives: winning the B. & O. itself, joining in a three-way merger, or at least blocking consolidation of the other two lines.

At stake is the profit-producing freight area west of Buffalo. If the Central loses the merger case, it stands to lose business to the long-haul service that the C. & O.-B. & O. combine could offer. Central officials suggest publicly that losses in the west would jeopardize the future of the Boston & Albany division, whose New England service is largely supported by revenue from the West.

The same is true of eastern New York State, and that is Governor Rockefeller's concern. He urged the ICC to approve the three-way consolidation as the best way to serve all interests. These include New England's interests.

They also include the interests of the New York Central, but it is the public interest—not who owns which rail line—that the ICC is supposed to serve. And the public interest should not be divided into regions in a manner that favors one at the expense of the other. Governor Rockefeller had this in mind when he proposed a "coordinated approach."

The bankrupt New Haven Railroad is perhaps an extreme case, but it points up the difficulties of the short-haul New England rail net. The B. & A. has had the advantage of links with a bigger system. On a broader scale, shouldn't something similar apply now to the parent roads?

The rest of the Rockefeller plan is no less important. It asks a Federal transportation department as the master coordinator of railroads and their competitors, and it urges repeal of the Federal 10-percent excise tax on passenger fares. But both are doomed for now. The Eisenhower administration proposed a transportation department; the Kennedy administration picked it up and then dropped it for this year. Congress already has extended the excise tax despite the fact that passenger volume has dropped steadily since World War II when the tax was designed to discourage unnecessary travel.

The "coordinated approach" remains, and the ICC is alone in the decider's seat. Governor Rockefeller's voice is pitched against equal voices from other States where the pending merger plans would have better effects. New England shouted itself hoarse over the New Haven situation. It might do well to muster another argument now.

Voting Record of Representative Gerald R. Ford, Jr.

EXTENSION OF REMARKS
OF
HON. GERALD R. FORD, JR.
OF MICHIGAN
IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 27, 1961

Mr. FORD. Mr. Speaker, under leave to extend my remarks, I include a report of my voting and attendance record during the 1st session of the 87th Congress.

The record includes all rollcall votes and all quorum calls. The description of bills is for the purpose of identification only; no attempt has been made to describe the bills completely or to elaborate upon the issues involved.

The purpose of this report is to collect in one place information which is scattered through thousands of pages of the CONGRESSIONAL RECORD. I want to be able to provide any interested constituent with a simple compilation of my voting and attendance record:

Voting record, Representative Gerald R. Ford, Jr., 5th District of Michigan

No	Date, 1961	Measure, question, and result	Vote
1	Jan. 3	Quorum call	Present.
2	...do...	Election of Speaker	Halleck.
3	...do...	H. Res. 1: Motion to vote without debate on resolution denying seat to either candidate for Congress from the 5th District of Indiana. (Passed 252 to 166.)	No.
4	Jan. 31	Quorum call	Present.
5	...do...	H. Res. 127: To increase membership on House Committee on Rules from 12 to 15. (Passed 217 to 212.)	No.
6	Mar. 1	Quorum call	Present.
7	...do...	H.R. 4806: To provide for the establishment of a temporary program of extended unemployment compensation. (Passed 392 to 30.)	Yes.
8	...do...	H. Res. 167: To provide $331,000 to House Committee on Un-American Activities for investigations in 1961. (Passed 412 to 6.)	Yes.
9	Mar. 7	H.R. 5188: To amend the 3d supplemental 1961 appropriation bill by adding $29,990,000 for aid to school districts in federally impacted areas. (Passed 336 to 62.)	No.
10	Mar. 8	Quorum call	Present.
11	...do...	...do...	Present.
12	Mar. 9	...do...	Present.
13	...do...	H.R. 4510: To recommit to committee the bill providing a program for feed grains for 1961 in order to eliminate sec. 3 which authorized sale of stored corn at 20 cents below support price of corn. (Defeated 196 to 214.)	Yes.
14	...do...	H.R. 4510: On final passage of feed grains bill increasing support price on corn for those who reduce acreage, etc. (Passed 209 to 202.)	No.
15	Mar. 10	Quorum call	Present.
16	Mar. 15	...do...	Present.
17	Mar. 21	H.R. 4510: To approve the conference report on the feed grains program, 1961. (Passed 231 to 185.)	No.
18	...do...	Quorum call	Present.
19	...do...	H.R. 5463: To suspend the rules and pass the bill to amend and extend the Sugar Act of 1948. (Passed 284 to 129.)	Yes.
20	Mar. 22	H.R. 4806: To approve the conference report on the Temporary Extended Unemployment Compensation Act of 1961. (Passed 362 to 31.)	Yes.
21	Mar. 23	Quorum call	Present.
22	...do...	H.R. 5000: To adopt an amendment to the military construction authorization bill requiring a study to determine whether Army Quartermaster Food and Container Institute should be relocated. (Passed 267 to 145.)	Yes.
23	...do...	H.R. 5000: On final passage of the bill to authorize certain construction for military departments. (Passed 412 to 0.)	Yes.
24	...do...	Quorum call	Present.
25	...do...	...do...	Present.
26	Mar. 24	...do...	Present.
27	...do...	H.R. 3935: To approve the Ayres-Kitchin substitute for the committee's bill amending the Fair Labor Standards Act. (Passed 216 to 203.)	Yes.
28	...do...	H.R. 3935: On a motion to recommit the bill to committee. (Defeated 196 to 224.)	No.
29	...do...	H.R. 3935: On final passage of the bill (minimum wage) to amend the Fair Labor Standards Act. (Passed 340 to 78.)	Yes.
30	Mar. 28	Quorum call	Present.
31	Mar. 29	Quorum call	Present.
32	...do...	S. 1: On a motion to recommit the area redevelopment bill to committee in order to substitute H.R. 5943 for S. 1. (Defeated 125 to 291.)	Yes.
33	...do...	S. 1: On final passage of the area redevelopment bill. (Passed 251-167.)	No.
34	Apr. 11	Quorum call	Present.
35	Apr. 13	...do...	Present.
36	Apr. 18	...do...	Present.
37	Apr. 19	...do...	Present.
38	...do...	S. 912: To adopt the omnibus judgeship bill providing for 70 additional Federal judges. (Passed 336 to 76.)	No.
39	Apr. 20	Quorum call	Present.
40	...do...	H.R. 6027: On final passage of the Social Security Amendments of 1961. (Passed 400 to 14.)	Yes.
41	Apr. 25	Quorum call	Present.
42	...do...	H.R. 6518: To appropriate $600,000,000 for the inter-American social and economic cooperation program and the Chilean rehabilitation program. (Passed 330 to 82.)	Yes.
43	Apr. 26	Quorum call	Present.
44	...do...	S. 1: On adopting the conference report providing for "backdoor financing" of the Area Development Act. (Passed 223 to 193.)	No.
45	May 3	Quorum call	Present.
46	...do...	H.R. 3935: To adopt the conference report on amendments to the Fair Labor Standards Act. (Passed 230 to 196.)	No.
47	May 3	H.R. 6441: On motion to recommit to committee the Federal Water Pollution Control Act Amendments of 1961 in order to reduce the authorization from $100,000,000 to $75,000,000 annually and to require States after June 1964 to match all funds in excess of $50,000,000 and to retain State jurisdiction over intrastate waters. (Defeated 165 to 256.)	Yes.
48	...do...	H.R. 6441: On final passage of the Federal Water Pollution Control Act Amendments of 1961. (Passed 307 to 110.)	No.
49	May 4	Quorum call	Present.
50	May 9	...do...	Present.
51	May 10	...do...	Present.
52	May 11	...do...	Absent.[1]
53	...do...	H.R. 2010: On final passage of the bill to extend the Mexican farm labor program for 2 years. (Passed 231 to 157.)	Paired for.
54	...do...	H.R. 6094: To recommit to committee the bill to authorize additional funds to Council of Economic Advisers personnel in order to cut the amount from $2,000,000 to $700,000. (Defeated 151 to 199.)	Paired for.
55	...do...	H.R. 6094: On final passage to authorize an additional $2,000,000 for personnel of Council of Economic Advisers. (Passed 209 to 136.)	Paired against.
56	May 15	Quorum call	Present.
57	May 16	...do...	Present.
58	...do...	H. Res. 284: To adopt a rule providing for the consideration of H.R. 4614, a bill to encourage travel in the United States by residents of foreign countries and to establish an office of International Travel and Tourism. (Passed 239 to 70.)	Yes.
59	...do...	Quorum call	Present.
60	May 17	...do...	Present.
61	...do...	H. Con. Res. 226: To indicate congressional support for taking of collective measures by the Organization of American States against the Castro government of Cuba. (Passed 402 to 2.)	Yes.
62	...do...	H.R. 4614: To establish an Office of International Travel and to encourage travel to the United States by residents of foreign countries. (Passed 305 to 104.)	Yes.
63	May 24	Quorum call	Present.
64	...do...	S. 1852: To authorize about $12,500,000,000 for aircraft, missiles, and naval vessels for the Armed Forces. (Passed 402 to 0.)	Yes.
65	May 25	H.R. 1986: To recommit to committee a bill relating to information furnished the Postmaster General by ICC concerning revenues received by railroads from express companies. The recommittal motion was designed to provide that certain technical information be gathered annually by ICC concerning revenue paid railroads by the Post Office. (Defeated 16 to 345.)	No.
66	June 1	Quorum call	Absent.[2]
67	...do...	H.R. 7371: The appropriation bill for Departments of State and Justice, the judiciary and related agencies ($751,300,050). (Passed 256 to 71.)	Yes.
68	June 6	Quorum call	Present.
69	...do...	...do...	Absent.[3]
70	...do...	H.R. 7444: To recommit the Agriculture appropriations bill to committee in order to cut $100,000,000 from funds for agricultural conservation program. (Defeated 184 to 196.)	Yes.
71	...do...	H.R. 7444: On final passage of the agricultural appropriations bill involving $5,900,000,000. (Passed 318 to 65.)	No.
72	June 7	Quorum call	Present.
73	June 8	...do...	Present.
74	...do...	...do...	Absent.[4]
75	...do...	H.R. 7446: To recommit to committee the Tax Rate Extension Act in order to eliminate the transportation tax on persons. (Defeated 189 to 196.)	Yes.
76	...do...	H.R. 7446: On final passage of the Tax Rate Extension Act of 1961. (Passed 295 to 88.)	Yes.
77	June 12	Quorum call	Present.
78	...do...	H.R. 7053: To recommit to committee the bill providing that in the District of Columbia courts confessions and other evidence shall not be inadmissible solely because of delay. (Defeated 104 to 252.)	No.
79	June 13	Quorum call	Present.
80	June 14	...do...	Present.
81	June 15	...do...	Present.
82	...do...	H. Res. 303: To disapprove Reorganization Plan No. 2, concerning the FCC, submitted by the President on Apr. 27. (Passed 323 to 77.)	Yes.
83	...do...	H. Res. 302: To disapprove Reorganization Plan No. 1, concerning the Security and Exchange Commission, submitted by the President on Apr. 27. (Defeated 176 to 212.)	Yes.

Footnotes at end of table.

Voting record, Representative Gerald R. Ford, Jr., 5th District of Michigan—Continued

No.	Date, 1961	Measure, question, and result	Vote
84	June 19	Quorum call	Present.
85	...do	H.R. 6765: To authorize acceptance of an amendment to the articles of agreement of the International Finance Corporation permitting investment in capital stock. (Passed 328 to 18.)	Yes.
86	...do	H.R. 7712: 4th supplemental appropriation bill for 1961 involving $88,000,000. (Passed 291 to 63.)	Yes.
87	June 20	Quorum call	Present.
88	...do	H. Res. 304: To disapprove Reorganization Plan No. 3, concerning the Civil Aeronautics Board, submitted by the President on May 3. (Defeated 178 to 213.)	Yes.
89	...do	H. Res. 305: To disapprove Reorganization Plan No. 4, concerning the Federal Trade Commission, submitted by the President on May 9. (Defeated 178 to 221.)	Yes.
90	June 21	Quorum call	Present.
91	...do	do	Present.
92	...do	do	Present.
93	...do	do	Present.
94	June 22	do	Present.
95	...do	H.R. 6028: To recommit to committee the Housing bill for the purpose of substituting provisions which would extend present program for 1 year. (Defeated 197 to 215.)	Yes.
96	...do	H.R. 6028: On final passage of the Housing Act of 1961 carrying authorizations of $9,000,000,000. (Passed 235 to 178.)	No.
97	June 26	Quorum call	Present.
98	...do	do	Present.
99	...do	H.R. 7677: To raise the public debt limit for 1 year by $13,000,000,000 to $298,000,000,000. (Passed 231 to 148.)	Yes.
100	June 27	Quorum call	Present.
101	...do	do	Present.
102	...do	do	Present.
103	June 28	do	Present.
104	...do	H.R. 7851: On amendment to defense appropriation bill in order to remove provision prohibiting use of funds for payment of a price differential on contracts made for the purpose of relieving economic dislocations. (Defeated 173 to 239.)	No.
105	...do	H.R. 7851: On final passage of the defense appropriation bill ($42,700,000,000). (Passed 412 to 0.)	Yes.
106	...do	S. 1922: To adopt the conference report on the Housing Act of 1961 as approved by conferees of the House and Senate. (Passed 229 to 176.)	No.
107	June 29	H. Res. 354: To authorize a special flag for Members of the House of Representatives. (Defeated 108 to 270.)	No.
108	...do	H. Res. 225: To recommit to committee the resolution granting consent of Congress to the Delaware River Basin compact in order to delete provisions for Federal voting membership and Federal cost sharing. (Defeated 92 to 257.)	Yes.
109	July 10	H.R. 187: To expedite judicial review of orders of deportation of undesirable aliens. (Passed 304 to 60.)	Yes.
110	...do	H.R. 5786: To establish the Cape Cod National Seashore. (Passed 278 to 82.)	No.
111	July 13	Quorum call	Present.
112	July 17	H.J. Res. 435: To provide for the observance of the centennial of the establishment of the Department of Agriculture. (Passed 367 to 12.)	Yes.
113	...do	H.R. 2555: To provide for allotment and advancement of pay to U.S. civilian employees in emergency evacuations. (Passed 285 to 86.)	Yes.
114	July 19	Quorum call	Present.
115	...do	do	Present.
116	July 20	H.R. 6874: To authorize appropriations to the National Aeronautics and Space Administration in the amount of $1,780,000,000. (Passed 354 to 59.)	Yes.
117	...do	H. Res. 328: To disapprove Reorganization Plan No. 5 concerning the National Labor Relations Board. (Passed 231 to 179.)	Yes.
118	...do	H. Res. 336: To discharge the Committee on Government Operations from further consideration of Reorganization Plan No. 7 concerning the Maritime Administration. (Defeated 184 to 218.)	Yes.
119	July 25	H.R. 8302: To adopt an amendment to the military construction appropriations bill deleting $3,400,000 for transfer of the Food and Container Institute of Chicago to Natick, Mass. (Passed 241 to 170.)	No.
120	...do	H.R. 8302: On final passage of the military construction appropriations bill providing for an expenditure of $883,300,000. (Passed 409 to 0.)	Yes.
121	July 26	Quorum call	Present.
122	July 27	do	Present.
123	July 31	do	Present.
124	...do	S.J. Res. 120: To authorize the President to order units and members in the Ready Reserve to active duty for not more than 12 months. (Passed 403 to 2.)	Yes.
125	Aug. 1	Quorum call	Present.
126	Aug. 2	do	Present.
127	...do	S. 2311: To authorize appropriations of $958,500,000 for additional aircraft, missiles, and naval vessels. (Passed 406 to 0.)	Yes.
128	...do	H.R. 30: To recommit to committee the bill granting approval of Congress to the northeastern water and related land resources compact in order to have the 7 Federal representatives on the Commission serve only in an advisory position. (Defeated 139 to 261.)	Yes.
129	Aug. 3	Quorum call	Present.
130	...do	S. 1643: On adoption of the conference report on the Agricultural Act of 1961. (Passed 224 to 170.)	No.
131	...do	Quorum call	Present.
132	...do	H.R. 7856: To amend the Communications Act of 1934 for the announced purpose of facilitating the prompt and orderly conduct of FCC business. (Passed 198 to 150.)	No.
133	Aug. 7	H.R. 7728: To authorize the Secretary of a military department to sell goods and services to the owner of an aircraft in an emergency. (Passed 307 to 78.)	No.
134	Aug. 8	Quorum call	Present.
135	...do	H.R. 7576: On a motion to lay on the table the motion to instruct House conferees not to agree to a project involving electric energy generating facilities for the new production reactor at Hanford, Wash., at a cost of $95,000,000. (Defeated 164 to 235.)	No.
136	...do	H.R. 7576: To adopt the motion instructing House conferees not to agree to the Senate provision providing for electric energy generating facilities at Hanford, Wash., at a cost of $95,000,000. (Passed 235 to 164.)	Yes.
137	...do	Quorum call	Present.
138	...do	H.R. 8033: To amend Interstate Commerce Act to authorize delegation of certain duties to ICC employee boards. (Passed 212 to 174.)	No.
139	Aug. 9	Quorum call	Present.
140	...do	H. Res. 406: On adoption of resolution providing for the consideration of H.R. 6882, to establish an additional Assistant Secretary of Labor. (Passed 369 to 16.)	Yes.
141	...do	Quorum call	Present.
142	...do	H.R. 6302: To transfer Freedmen's Hospital to Howard University (District of Columbia) and to make it a teaching hospital for the university. (Passed 321 to 61.)	Yes.
143	Aug. 10	Quorum call	Present.
144	...do	H.R. 7851: On the adoption of the conference report on the $46,500,000,000 appropriation bill for the Department of Defense. (Passed 383 to 0.)	Yes.
145	...do	Quorum call	Present.
146	Aug. 14	do	Present.
147	...do	do	Present.
148	...do	do	Present.
149	...do	do	Present.
150	Aug. 15	do	Present.
151	...do	do	Present.
152	...do	do	Present.
153	Aug. 16	do	Present.
154	...do	do	Present.
155	Aug. 17	do	Present.
156	Aug. 18	do	Present.
157	...do	H.R. 8400: To adopt the mutual security authorization bill as amended by the House to include, among other things, a 1-year authorization for developmental loan assistance. (Passed 287 to 140.)	Yes.
158	Aug. 21	Quorum call	Absent.[1]
159	...do	do	Absent.[1]
160	...do	H.R. 8384: To make aircraft piracy a Federal crime punishable with a possible death sentence. (Passed 373 to 5.)	Absent.[1]
161	...do	Quorum call	Absent.[1]
162	Aug. 22	do	Absent.[1]
163	...do	do	Absent.[1]
164	...do	H.R. 7763: To provide for planning the participation of the United States in New York's World Fair of 1964 and 1965. (Passed 353 to 42.)	Absent.[1]
165	Aug. 23	Quorum call	Present.
166	Aug. 24	do	Present.
167	...do	H.R. 84: To stabilize the mining of lead and zinc by domestic producers on public, Indian, and other land. (Passed 196 to 172.)	No.
168	...do	Quorum call	Present.
169	Aug. 28	H.R. 8181: To order the engrossment and 3d reading of a bill to authorize the construction of a National Fisheries Center and Aquarium in the District of Columbia. (Passed 223 to 120.)	Absent.[7]
170	...do	H.R. 8181: On final passage of the bill to authorize the construction of a National Fisheries Center and Aquarium in the District of Columbia. (Passed 208 to 135.)	Absent.[7]
171	...do	H.R. 7176: To provide for a national hog cholera eradication program. (Passed 337 to 3.)	Absent.[6]

Footnotes at end of table.

Voting record, Representative Gerald R. Ford, Jr., 5th District of Michigan—Continued

No.	Date, 1961	Measure, question, and result	Vote
172	Aug. 29	Quorum call	Absent.[1]
173	...do	H.R. 8773: To increase the lump-sum readjustment payments for Reserve personnel involuntarily released from active duty. (Passed 394 to 0.)	Yes.
174	...do	Quorum call	Present.
175	...do	H.R. 6242: To authorize the Attorney General to fix the salaries of certain attorneys in the Department of Justice. (Defeated 172 to 223.)	No.
176	Aug. 30	Quorum call	Present.
177	...do	H.R. 8890: To consider the bill entitled "Emergency Education Aid Act of 1961" (Calendar Wednesday procedure). (Defeated 170 to 242.)	No.
178	...do	Quorum call	Present.
179	...do	H.R. 8028: To amend the Juvenile Delinquency and Youth Offenses Act of 1961 by restricting Federal grants to the District of Columbia. (Defeated 187 to 217.)	Yes.
180	Aug. 31	S. Con. Res. 34: Expressing the opposition of the Congress to diplomatic recognition of Red China or its admission to the United Nations. (Passed 395 to 0.)	Yes.
181	...do	S. 1983: To adopt the conference report on the Mutual Security Authorization Act of 1961. (Passed 260 to 132.)	Yes.
182	Sept. 5	Quorum call	Present.
183	...do	...do	Present.
184	...do	H.R. 9033: To amend the mutual security appropriations bill by increasing the funds for military assistance by $300,000,000. (Passed 242 to 151.)	Yes.
185	...do	H.R. 9033: On final passage of the $3,800,000,000 mutual security appropriation bill. (Passed 270 to 123.)	Yes.
186	Sept. 6	Quorum call	Present.
187	...do	...do	Present.
188	...do	H.R. 9000: To extend for 2 additional years the National Defense Education Act and the Federal impacted school districts bill. (Passed 378 to 32.)	Yes.
189	...do	Quorum call	Present.
190	...do	H.R. 8723: To suspend the rules and pass the Welfare and Pension Plans Disclosure Act Amendments of 1961. (Defeated 244 to 161; ⅔ vote needed for passage.)	No.
191	...do	H.R. 8666: To suspend the rules and pass the Mutual Educational and Cultural Exchange Act of 1961. (Passed 329 to 66.)	Yes.
192	...do	Quorum call	Present.
193	Sept. 11	...do	Present.
194	Sept. 12	...do	Present.
195	...do	...do	Present.
196	Sept. 13	...do	Present.
197	...do	H.R. 8302: To eliminate from the military construction appropriation bill funds to provide for the transfer of the Food and Container Institute from Chicago to Natick, Mass. (Passed 212 to 185.)	No.
198	...do	H.R 7371: To accept a provision in the appropriations bill for the Departments of State and Justice and the judiciary extending the life of the Civil Rights Commission to Sept. 30, 1963. (Passed 300 to 106.)	Yes.
199	...do	H.R. 9076: To recommit to committee the public works appropriation bill in order to reduce funds for the Upper Colorado River Basin and to eliminate certain proposed transmission lines. (Defeated 182 to 224.)	Yes.
200	...do	H.R. 9076: On final passage of the public works appropriation bill in the amount of $3,600,000,000. (Passed 377 to 31.)	Yes.
201	...do	Quorum call	Present.
202	...do	H.R. 7576: To adopt the conference report authorizing appropriations for the Atomic Energy Commission containing provisions approving an electric powerplant at Hanford, Wash. (Defeated 155 to 251.)	No.
203	...do	H.R. 8102: On a substitute bill for the Federal Airport Act, as passed by the House but amended by the Senate, submitted by the conferees calling for a 3-year extension with annual appropriations instead of "back-door financing." (Passed 396 to 4.)	Yes.
204	Sept. 14	Quorum call	Absent.[1]
205	...do	H.R. 7500: On final passage of the bill to provide for a Peace Corps. (Passed 287 to 97.)	Paired for.
206	Sept. 15	Quorum call	Absent.[1]
207	...do	H. Res. 455: A resolution sending to conference H.R. 2010 extending the Mexican farm labor program. (Passed 243 to 135.)	Absent.[2]
208	...do	H. Res. 464: To adopt a closed rule providing for the consideration of H.R. 7927 to adjust postal rates. (Defeated 142 to 222.)	Absent.[2]
209	Sept. 16	Quorum call	Absent.[1]
210	Sept. 18	S. 2393: On final passage of a bill similar to H.R. 9000 extending for 2 years the provisions of the National Defense Education Act and the federally impacted school area bill. (Passed 342 to 18.)	Absent.[2]
211	...do	S. 1459: To suspend the rules and pass the bill amending the law relating to longevity step increases for postal employees. (Passed 358 to 4.)	Absent.[2]
212	...do	H.R. 5751: To amend Subversive Activities Control Act to require the registration of persons disseminating political propaganda within the United States as agents of a foreign power. (Passed 369 to 2.)	Absent.[2]
213	...do	H.R. 8914: To suspend the rules and pass the bill amending the Soil Conservation and Domestic Allotment Act (feed grains) to enable certain farmers to grow more barley. (Defeated 213 to 149; ⅔ vote needed.)	Paired against.
214	...do	H.R. 7377: To suspend the rules and pass the bill increasing the limitation on the number of positions which may be placed in the top grades of the Civil Service Classification Act. (Passed 305 to 53.)	Absent.[2]
215	Sept. 19	Quorum call	Absent.[1]
216	...do	H.R. 9118: To establish a U.S. Arms Control Agency. (Passed 216 to 54.)	Absent.[2]
217	Sept. 20	Quorum call	Absent.[1]
218	...do	...do	Absent.[2]
219	Sept. 21	H.R. 7500: To adopt the conference report on the Peace Corps. (Passed 253 to 78.)	Absent.[2]
220	...do	H.R. 5628: To suspend the rules and pass the bill providing for a study of the desirability of establishing and maintaining a National Tropical Botanic Garden in Hawaii. (Defeated 215 to 125; ⅔ vote being necessary.)	Absent.[7]
221	...do	H.R. 4172: To suspend the rules and pass the bill providing for the establishment of a Federal Advisory Council on the Arts. (Defeated 166 to 173; ⅔ vote being necessary.)	Absent.[7]
222	Sept. 22	Quorum call	Absent.[1]
223	...do	H.R. 258: To adopt the conference report increasing the District of Columbia sales tax from 2 cents to 3 cents, transferring certain moneys to the highway fund, and including an amendment providing for the inclusion of the District of Columbia among those areas to receive Federal funds as "federally impacted school areas." (Defeated 142 to 159.)	Absent.[7]
224	Sept. 23	Quorum call	Present.
225	...do	H.R. 7377: To adopt the conference report increasing the limitation on number of positions which may be placed in the top grades of the Civil Service Classification Act which report increased the number of positions beyond the House bill. (Passed 228 to 71.)	No.
226	...do	H.R. 9118: To adopt the conference report establishing a U.S. Arms Control Agency. (Passed 252 to 50.)	Yes.
227	Sept. 26	Quorum call	Present.
228	...do	...do	Present.
229	...do	H.R. 258. On conference report on bill to increase District of Columbia sales tax from 2 cents to 3 cents and transferring certain parking fees and other moneys to highway fund. (Defeated 97 to 173.)	No.
230	...do	H.R. 9033. To adopt conference report on bill making appropriations for foreign assistance and related agencies. (Passed 192 to 81.)	Yes.
231	...do	H.R. 9033. On motion to adopt Senate amendment 27 providing that foreign aid Inspector General need not honor request for information from Congress if the President certifies he has forbidden him to do so. (Passed 152 to 119.)	No.

[1] At Wurtsmith Air Force Base, Mich.
[2] Conference in downtown Washington.
[3] Appointment with doctor.
[4] President's guest at the White House.
[5] In, or returning from, Michigan.
[6] If present, would have voted "yes".
[7] If present, would have voted "no".
[8] On official leave to attend sessions of the Interparliamentary Union at Brussels.

The International Monetary System and the Role of the IMF

EXTENSION OF REMARKS
OF

HON. HENRY S. REUSS
OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 27, 1961

Mr. REUSS. Mr. Speaker, I include in the RECORD a statement by Mr. Per Jacobsson, Managing Director of the International Monetary Fund, on the international monetary system and the role of the IMF, at the annual meeting of the Fund in Vienna, Austria, September 18, 1961:

With all the activity during the past year, drawings on the Fund have totaled the equivalent of nearly $2,500 million. So large a use of resources has had a marked effect on the Fund's holdings of currencies suitable for transactions at the present time. Even after the replenishment of these holdings by the sale of gold at the time of the drawing by the United Kingdom, the Fund's holdings of several convertible currencies are very low. In addition, it has to be remembered that there are open balances under standby arrangements equivalent to almost $1,100 million.

It had, indeed, become apparent at the end of last year, at the time of the strong outflow of short-term funds from the United States, that if the Fund were faced with substantial drawings by a number of countries with large quotas, its available holdings of convertible currencies would in all probability be inadequate. This has been borne out by the experience of the last few months. The Fund can, of course, make use of its gold holdings, but these are not necessarily revolving, and once they have been used for the replenishment of currency holdings they may not readily be restored by repurchases in gold. The Fund should therefore generally be careful in the use of its gold and should take into account other possibilities for replenishing its currency holdings, for instance, by the borrowing of particular currencies under article VII of the Fund agreement.

However, borrowing of currencies is not a method of replenishment that can suddenly be improvised. For this and other reasons, the whole complex of problems connected with such borrowing needs to be closely examined and brought to an effective solution. Consideration of these problems should be set against the wider background of the international monetary system. In the vivid discussions on the merits and demerits of the present system which have taken place in recent years and months, attention has largely been devoted to the tensions which may result from the international flow of funds in a world of convertible currencies, and, as you know, a number of suggestions have been put forward advocating more or less radical changes in the existing monetary arrangements. It has been valuable that these matters have been so vigorously discussed, and the first question we have to ask ourselves is whether the present system can be regarded as operating in a sufficiently satisfactory manner to be worth maintaining. If that question is answered in the affirmative, then we must consider whether any particular measures should be taken to strengthen the existing institutional arrangements so as to provide sufficient safeguards to meet any dangerous tensions that may arise.

On the whole, I believe the system has worked well. It would indeed be difficult to conclude otherwise in the light of the great gains that have been made in recent years. In the purely monetary sphere external convertibility has been established for a broad range of currencies, and with the better distribution of reserves, there is an increasing measure of freedom for capital movements. There has been a parallel development in the ever-growing liberalization of trade and, under conditions of relatively stable prices, international trade has been increasing at an annual rate of about 4 percent in recent years, reflecting by and large a corresponding rate of growth in world production. These are no mean achievements.

But in spite of these achievements there have been periods of tension and unease. I do not think that the movements of short-term funds from one country to another have impaired the financing of trade or the flow of goods, but it is largely the fears that these movements have aroused that have led to the questioning of the soundness of our present system. In some quarters doubts have been expressed whether the system under which countries hold part of their international reserves in currencies (which is known as the gold exchange standard) will work satisfactorily in the longer run, and whether this system might not break down as it did in the interwar period. I do not think we need draw that conclusion, for it is important to remember that the currency failures which occurred in the early 1930's were caused not by inflation, but by widespread deflation, by a fall in prices which made itself felt first in the United States and then in Europe. I am sure there will be no similar deflation now, for there has been such a change in the objectives of the authorities that sufficient measures would surely be taken to prevent such a calamity, if it seemed to be threatening. Secondly, in the 1930's the exchange reserves of many of the European countries have been acquired by large-scale short-term borrowing, and melted away when the short-term loans were not renewed; today most countries are the true owners of their exchange holdings. A third difference is that the International Monetary Fund today stands behind the nations' reserves, supplementing them within the framework of its principles and practices and working at all times to promote international monetary consultation and collaboration; there was no similar international agency in the interwar period.

Today two currencies, the U.S. dollar and sterling, are the main reserve currencies. There is no doubt in my mind that the authorities in the United States and the United Kingdom are determined to pursue policies which will ensure confidence in the stability of their currencies. Of the outstanding short-term U.S. liabilities, about two-thirds are in the hands of foreign central banks and governments, and the remainder is largely held by commercial banks and business firms. For sterling the proportion is very much the same. There are thus substantial amounts of these currencies in private hands, and with convertibility, liquid resources owned by business firms and banks can now with little or no difficulty be shifted from one country to another. There is indeed no lack of international liquidity in private hands, but for this very reason it is important that there should be adequate resources in official hands to meet the possible impact of international movements of private funds.

As indicated in the report of the Executive Directors before you, the fund has been studying in the course of this year a broad range of problems, some of general import and some of a more detailed technical, legal or institutional character connected with this situation. It is possible to summarize the main issues that have been considered in the form of three questions. To begin with, what are the payments difficulties for which the fund's resources may be made available under its Articles of Agreement? Secondly, how can the fund best use its resources to meet these difficulties? And, finally, what resources are required to meet the difficulties, and are the fund's available resources adequate to do so?

On the first question, the Executive Directors have discussed the extent to which the fund's resources may be used for helping to meet those deficits in the balance of payments of members that go beyond the current account and are attributable, in whole or in part, to capital transfers. From a purely practical point of view, there is of course great difficulty in separating current and capital payments under a system of convertible currencies. After a thorough examination of the various aspects of the problem, the Executive Directors have clarified the understanding of the Articles of Agreement, and in that way eliminated any doubt which had not already been dissipated by the practice of the fund, that the fund's resources can be used for capital transfers, in accordance with article VI and the other provisions of the articles. If a country facing an outflow of capital were to turn to the fund for assistance, the test to be applied by the fund would be in accordance with its accepted principles, i.e., that appropriate measures were being taken, so that the disequilibrating capital outflow would be arrested and assistance provided by the fund would be repaid within a maximum period of 3 to 5 years.

The answer to the second question—how the Fund can best use its resources—must take into account the strengthening of the current position and reserves of several member countries and the increased number which have accepted the obligations of article VIII. This has made possible the use of a much wider range of currencies held by the Fund, thus increasing the volume of its usable resources. The Fund has therefore sought to diversify the use of its currency holdings in such a manner as to insure that transactions with the Fund, and their repayment, will be conducted in those currencies which will be most helpful to the world payments situation. In pursuing this objective, the Fund has been guided increasingly by the principle that drawings should be made in the currencies of those countries that have a strong payments and reserve position, while it is to be hoped that repayments will generally be made in those currencies that can be strengthened by their use in this way. There are a number of technical and legal problems to be faced in evolving a satisfactory program for the use of a wider range of currencies in Fund transactions and repayments. Some have already been resolved, others will need further attention. A measure of the success already achieved is shown by the fact that during the last year drawings have been made in 11 different currencies.

As a result of sales of their currencies by the Fund, a number of countries have now acquired increased drawing rights because the Fund's holdings of their currencies have been reduced considerably below 75 percent of quota. The Fund must always take account of the fact that, should there be a reversal in the payments position, the existance of these increased drawing rights could give rise to appreciable demands on the resources of the Fund.

I come now to the third question—the adequacy of the Fund's resources. It will be apparent from what I have said about the Fund's evolving policies on the currencies that should be drawn that the answer to this question cannot be settled simply by adding up the Fund's holdings of gold and currencies, or even gold and convertible currencies, at any particular time. What is important is to insure that the Fund has enough of those currencies which it would be appropriate to use at any particular time, given the economic conditions of that time

and the purposes for which it is appropriate to use the Fund's resources.

I have already referred to the fact that the interest activity over the last year has reduced the Fund's holdings of certain currencies to a very low level, despite the recent sale of gold. But this is more than a transitory problem confined to the present circumstances, and is more than just the question of the Fund's own liquidity. It is vital to consolidate and defend the convertibile system built up over the last few years, and to avoid the risk of any relapse into restrictions and currency disorder. In order that the Fund may play its part in this effort and meet the expectations of its members, it must be in a position to provide resources that are adequate beyond doubt to meet any needs that may arise. And in a world in which market fears and expectations play a large role, resources—national and international combined—must not only be adequae to meet demands that may be made on them, but also large enough to convince the public that they are adequate to defend currencies from ill advised speculation. A substantial reduction in the Fund's holdings of major international currencies could itself become a disturbing factor, long before the point of exhaustion is reached, unless there existed satisfactory arrangements for replenishing these holdings.

All these questions have to be evaluated in the light of the swift changes in the balance of international payments that have occurred in recent years. In the circumstances I cannot conclude that the composition and size of the Fund's resources are adequate to support a healthy international financial structure without further strengthening. The need for additional resources might be remedied by an increase in particular quotas, but in present circumstances, I believe it can be handled more acceptably by firm borrowing arrangements. These would be concluded, in particular, with the main industrial countries, because of the major role they play in the swings in international trade and payments. This does not mean that other countries would have no interest in the conclusion of such arrangements, for the maintenance of a stable and convertible exchange system is as important to them as it is to the industrial countries.

Some of the problems arising from use to be made of the Fund's borrowing powers under article VII of the Fund agreement have already been discussed in general terms by the executive directors, but many aspects still remain to be considered. An essential step in the conclusion of any borrowing plan is for the authorities in the individual countries to obtain the power to lend to the Fund if they do not already possess it. However, it would not, in my opinion, be sufficient to leave the actual borrowing transaction to an ad hoc agreement between the Fund and the lending country under these powers. There is great merit in an assurance that additional resources are available to the Fund for its transactions. The ready availability of resources is itself a contribution to stability and strength. It has time and again been the experience of the Fund that assurance to a member that it has access to the resources of the Fund under the provisions of a standby arrangement is in itself a stabilizing factor of great importance; often it has not been necessary for the member to use all or, indeed, any of the drawing rights thus assured. There is good reason to believe that the same sort of benefit would be obtained from credit facilities granted to the Fund.

At the same time, adequate provision would have to be made for general safeguards for the lending members. There would, of course, be consultation between the Fund and the prospective lender, and it should be part of the arrangement that the Fund would not borrow from a member country unless the country's payments and reserve position permitted this. Moreover, the arrangement would be such that any member that had lent its currency to the Fund would readily be able to obtain repayment if its own payments position changed. There would, of course, be no question of any weakening of the principles that the Fund has worked out for the appropriate use of its resources. These have stood the test of time in a great variety of circumstances, and we know that they are endorsed by the members of the Fund.

I believe that it should not be difficult to arrive at an agreement that will give due weight to the various aspects of borrowing, and thus to establish a workable system which would be beneficial and acceptable to all the members of the Fund. There are, however, a number of decisions of policy still to be taken.

As is said in the annual report of the executive directors, the approach to the increase in the Fund's resources by means of borrowing "looks beyond the immediate needs and endeavors to equip the Fund to handle flexibly the many and varied situations that may arise under a system of freely convertible currencies."

Space and National Security

EXTENSION OF REMARKS
OF
HON. EMILIO Q. DADDARIO
OF CONNECTICUT
IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 27, 1961

Mr. DADDARIO. Mr. Speaker, Gen. Bernard A. Schriever, head of the Air Force Systems Command, recently made a telling case for the greater utilization of Air Force capabilities in the national space program. His is one of the clearest statements of possible military uses of space that I have read and I believe it should be submitted for study and consideration by the House:

REMARKS BY GEN. B. A. SCHRIEVER, COMMANDER, AIR FORCE SYSTEMS COMMAND, AT AFA SYMPOSIUM ON "SPACE AND NATIONAL SECURITY"

I believe the threat to our national security discussed by the other panel members is a major cause for concern. The development of effective functional capabilities in space will be a principle factor in the continuing struggle for leadership of the world. We have already seen that the Russians regard their space deeds with a militant pride. Their successes in space are presented as proof of the Communist credo that history is on their side and communism will rule the future world. We have the ability to prove them wrong, if we use our resources wisely.

It is not generally appreciated that in the last few years we have developed great resources which can be devoted to any one of several courses of action we may choose to develop a strong defense capability in space. Perhaps the best known of these resources are the missile test ranges which give us the ability to support space programs devoted to both military and civilian objectives.

In carrying out our ICBM programs we also have developed the capability to procure large modern systems which employ modern technology, and even more important, achieve reliable operational status with these systems after they have been delivered to the field. The experience gained in these programs covers the whole spectrum of research, development, procurement, transition of the systems from technical specialists to operational units in the field and logistic support throughout all phases of the programs.

Perhaps the most invaluable asset of all is the corps of the Air Force officers and men in whom this experience is embodied. We have learned techniques of management which permit us to bring new systems into the inventory in a few short years as we did with our ballistic missiles.

But there is no short cut to the creation of a team of dedicated and experienced men with a tradition of accomplishment. The Air Force has a highly competent team trained in the skills required to develop the necessary military capabilities in space. These people are accustomed to working with the sense of urgency necessary in programs vital to the national security.

In carrying out our national space program, certain basic functional capabilities are necessary and fundamental to both military and civilian programs. The best approach to our military space program is a mixture of unmanned and manned space vehicles. More emphasis on manned spacecraft is required. We must be able to use space on a routine, day-to-day basis. In order to develop this ability we must begin by developing the ability to place large payloads in space, the ability to navigate and maneuver spacecraft, the ability to go into space and return to earth at times and places chosen to support a selected mission, the ability to rendezvous in space and accomplish refueling or cargo transfer, in short, to transport, use and support man in space.

The unique abilities of man to observe and to use judgment are essential. Most important is the ability of man to exercise control based on his judgment. Man's abilities are necessary to support our national objectives and national security in the space age.

Along with development of the ability to place man in space in a functional role, a broad development program for components and techniques must be carried out. This will permit the combination of the experience and knowledge gained in placing man in space in a functional capacity with a choice of developed components and techniques to give us national defense capabilities in space.

I believe it is clear today that we must be able to observe or inspect satellites and determine whether or not an unidentified satellite is hostile or friendly, just as we are able to identify unknown aircraft today. Should a satellite be determined to be hostile, then we must have a capability to neutralize it. If we cannot deal with such satellites, the ability of the Nation to exist and preserve its essential values will be severely compromised or nonexistent.

Finally, the key to rapid utilization of space by man for military or civilian purposes is flexibility. We must not design our space vehicles and programs just to achieve those objectives which we can define now. We must design the vehicles with enough capacity to rapidly adapt to or incorporate the vast new knowledge which will flow from our space program. A manned space observatory should be designed so that the composition of the crew of observers can be modified or completely changed to accomplish new or additional missions. Such an observatory should have provisions for the addition or replacement of equipment simply and quickly in order to respond to new knowledge or new requirements.

The achievement of these capabilities in space will enable us to insure that space is not used for aggressive purposes—provided we achieve them in time. This, I feel, is an urgent matter, and it may require that we rethink our traditional approach to the use of technology.

Historically, we have tended to overestimate what we could do on a short-time basis, and to grossly underestimate what we could do on a long-term basis. As a result, the United States has been notably slow to recognize the military application of new inventions. This was an adequate philosophy for the days when oceans were real barriers and gave us time to mobilize after the outbreak of war. But today, technological surprise could be fatal.

Two of the most significant technical achievements of this century—the airplane and the liquid-fueled rocket—are American inventions. Yet in each case their first military application was made by other nations.

After the Wright brothers flew at Kitty Hawk, more than 3 years passed before the U.S. Army decided to buy an airplane. Even then the military potential of the airplane was not realized. When World War I broke out, and when American pilots flew in battle, they flew foreign aircraft exclusively. No American-designed plane saw combat during World War I.

The work of Robert Goddard, inventor of the liquid-fueled rocket, was neglected in the United States but was followed with interest overseas. By 1929, 3 years after Goddard's first successful test flight, Germany had embarked on a rocket program. Soviet rocket research started in 1933, and had recorded substantial accomplishments by 1935.

By 1939, Germany was spending one-third of her entire aerodynamic research budget at Peenemunde alone. She had 12,000 workers there and at least 1,000 qualified researchers in rocketry elsewhere in the country.

In the same year Goddard had five technicians. In the whole of the United States there were probably not more than 25 people working with liquid rockets.

The United States finally was forced to recognize the military significance of the rocket after V–2's started to rain on London. Soon American scientists began to learn of Goddard's work through reading captured German documents. Nevertheless, little more than a decade ago the ICBM was called a fantastic proposal. Early indications that the Soviets might be producing such a weapon were largely ignored.

I have cited these examples to indicate the danger that lies in inadequate military planning for the future. Now we may find ourselves in a similar position in regard to space. No one can predict what benefits its exploration will bring to mankind, but I am certain they will be immense. At the same time, space most certainly has potential military use.

We need to press forward vigorously with our national space effort. We should recognize that there is no inherent difference between basic military and nonmilitary space technology. The same hardware and techniques used to send up a scientific capsule can also be used to orbit an early warning satellite. The same techniques that can send a man into space as a scientific observer may also send him there in a military role.

What really matters is not the technology but the intent. Our intentions as a nation are peaceful and are known to be so. We should not be afraid to develop whatever systems are needed for our legitimate self-defense—and to give them proper priority.

Only by being strong can we preserve the peace. This is the primary objective of the military forces today. When the Strategic Air Command was formed, the people of America understood that air power is peace power. We need a clear understanding today that space power is peace power. Space power must become a vital part of our national strength and security.

Needed Merger

EXTENSION OF REMARKS

OF

HON. DONALD C. BRUCE

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 27, 1961

Mr. BRUCE. Mr. Speaker, all of us have heard much about the plight of the railroads, and the possibility of Federal subsidization to enable the railroads to compete with other forms of transportation. In Indiana, a merger of three major roads, the New York Central, Chesapeake & Ohio and the Baltimore & Ohio Railroads would seem to be the fairest and most economically feasible way to save this vital industry.

Therefore, I would like to insert at this point an editorial from the Indianapolis News entitled "Needed Merger":

NEEDED MERGER

This city and this State have a vital interest in a railroad consolidation proposal to be aired at a regional hearing by the Interstate Commerce Commission Monday.

This is the proposal to consolidate the New York Central, Chesapeake & Ohio and Baltimore & Ohio Railroads in a merger that could mean life or death for the affected companies, and economic strength or weakness for the State of Indiana.

The ICC's decision will not affect Indiana citizens alone. It is of great interest to the East, and for that matter to the entire Nation. Its repercussions will be felt by the badly ailing railroad industry everywhere.

The New York Central is and has been an essential link in Indiana's transportation system, and currently has trackage totaling 3,065 miles in the State, a figure which ranks third in all States served by the system.

As an employer, the N.Y.C. provides livelihood for 1,500 persons in Indianapolis and a total of 2,500 in Indiana, with payrolls of $10 million and $15 million respectively. As a taxpayer, it contributed $911,186 to Indianapolis and Marion County in 1960 and paid $4,563,610 to the State during the same period.

The Chesapeake & Ohio wants to control and merge with the Baltimore & Ohio. Both lines operate in Indiana but not as extensively as the N.Y.C. The C. & O. wants to exclude the N.Y.C. from the merger. The Central proposes a three-way consolidation. Mergers are necessary steps toward solving the plight of the railroads. But a merger which does not consider the general good of the public, or the harmful effects on other essential systems, is not the right step.

If the New York Central were excluded from the consolidation, the road's revenues would be seriously curtailed by diversion of freight to the other two lines. The N.Y.C. is not able to absorb such substantial losses. It would be forced to curtail or eliminate many of its services in Indiana, possibly discontinue them entirely.

If, however, N.Y.C. were permitted by the ICC to join in the consolidation, multimillion dollar savings would result. The N.Y.C. has 61 connections and 81 common points of service with the B. & O. Duplications in freight and passenger facilities could be eliminated and the savings could be used to improve service of both roads and revitalize them.

The New York Central has a strong case for making the consolidation a three-system affair. Indiana and the East would be provided a strong transportation net serving more people more effectively than a two-system merger.

The alternative may well be bankruptcy and nationalization of all three railroads.

Teachers as Citizens

EXTENSION OF REMARKS

OF

HON. MAURINE B. NEUBERGER

OF OREGON

IN THE SENATE OF THE UNITED STATES

Wednesday, September 27, 1961

Mrs. NEUBERGER. Mr. President, the government relations department of the Oregon Education Association asked a number of citizens interested in education to "examine the role of the teacher as a citizen." These opinions were put into pamphlet form in a publication entitled "Some Views on Citizenship."

The director of the government relations department, John H. Nellor, has sent a copy of the publication to me. I should like to insert in the RECORD at this time the comments of Senator WAYNE MORSE, who has waged a tireless battle for legislation which would improve our public education system, and comments I made in response to the question of what is the true relation of the teacher citizen.

I ask unanimous consent that Senator MORSE's remarks and my statement appear in the RECORD at this point in the hope that they will perhaps suggest to teachers and others ways in which educators can better meet the challenges facing our Nation at this time.

There being no objection, the remarks were ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR WAYNE MORSE

We are living in a tightly interrelated world. A decision taken anywhere can bear upon each of us most cruelly, or for great benefit. Literally, you are among the most potent of the opinion makers. Use this power wisely. Use it for the ends of your profession, to be sure, but use it also skillfully on the high questions of policy and state. Do not be timid in your affirmation of the right as you perceive it to be right.

As a profession, you have the right, the duty and the responsibility of seeing to it that those to whom you extend the hand of professional acceptance are increasingly well qualified to teach and to learn. To you, and almost to you alone should be the determination, implicit in a profession, of the qualities and abilities of your colleagues and coworkers.

STATEMENT BY SENATOR MAURINE NEUBERGER

Teachers today have opportunities to participate in civic affairs far beyond those of men and women who taught as recently as 25 years ago. Before then, even the dress, speech and manners were often rather rigidly prescribed for teachers by the local school boards. Now you can be a candidate for the State legislature. You can take part in county or city political clubs, you may dress and speak as any other citizen. The communities have placed new confidence in teachers. How as teachers have you responded to these newly won freedoms? To be able to teach young people to become

educated citizens it is, I believe, necessary that teachers have a sense of personal involvement in the forces that seek to obviate social, political, and economic inequities. To become informed, to vote, to discuss, to exercise political initiative, these are the dutiful privileges of all citizens, but perhaps particularly of teachers as you ought by example to be worthy of emulation by those in your classes. I think that for you to fail to participate in the needs of the community and Nation not only robs the community of your minds, training and efforts, but neglects a constant source of needed inspiration in the classroom.

Who's Boss?

EXTENSION OF REMARKS
OF
HON. JOHN D. DINGELL
OF MICHIGAN
IN THE HOUSE OF REPRESENTATIVES
Wednesday, September 27, 1961

Mr. DINGELL. Mr. Speaker, pursuant to permission granted, I insert into the Appendix of the CONGRESSIONAL RECORD an editorial entitled "Who's Boss?" from the September 25, 1961, issue of Broadcasting:

WHO'S BOSS?

The fact that the FCC voted finally to break down 13 of the remaining two dozen clear channels is not in itself too significant. The choice before the Commission was not whether any of the channels should be duplicated but whether all of them would be thrown open to secondary operations in undeserved areas if any actually exist.

The really important action was that, by majority vote, the FCC elected to defy the House Commerce Committee which specifically had requested that it defer final decision until the committee and Congress had the opportunity to consider pending legislation which would prohibit the breakdowns.

This was bold action. It was mitigated somewhat through the device of delaying consideration of applications for duplicated assignments so that no breakdowns possibly could occur until well after the next session of Congress convenes in January.

What does this action portend? Does it mean that in the controversial areas of television, involving deintermixture and substandard dropins, that the FCC will ignore congressional opinion? We doubt this. And we doubt whether Congress would condone in. President Kennedy's Reorganization Plan No. 2, involving the FCC, was overwhelmingly defeated in the House, because it would place too much power in the hands of the FCC Chairman and because Congress is jealous of its prerogatives in relation to the independent agencies vis-a-vis the executive branch.

Congress has always resisted executive interference with the independent agencies. The licensing and legislative functions belong to Congress, its leadership, whether Republican or Democratic, always has contended. Because Congress is busy and does not have the expertise, it has created such agencies as the ICC, FCC, FTC, and FAA to perform specialized work. And it won't easily retreat from that position.

As to the merits of the clear channel breakdown, we feel the FCC action is untimely, but for the unusual reason that it waited too long. It was 16 years ago that the clear channel case was opened. Conditions have changed. There is no shortage of AM stations anywhere except possibly in isolated areas where it would be economic suicide to build new class II, 10 kilowatt stations. And these, in most instances, are the very areas where the only service now available is from the clear channels.

It will be a long time before there is a showdown. We have the hunch that certain FCC members voted for the partial breakdown with the hope that Congress would take over and decide the issue before any real damage is done.

The Farm Problem

EXTENSION OF REMARKS
OF
HON. JOHN A. CARROLL
OF COLORADO
IN THE SENATE OF THE UNITED STATES
Wednesday, September 27, 1961

Mr. CARROLL. Mr. President, on September 26, 1961, I introduced into the RECORD a series of articles from the Denver Post written by Mr. Herb Hughes on our national farm problem.

Mr. President, I ask unanimous consent that there be printed in the RECORD two more articles in this series dated September 24, 1961, and October 1, 1961.

There being no objection, the articles were ordered printed in the RECORD, as follows:

[From the Denver Post, Sept. 24, 1961]

THE FARM PROBLEM—WRITING GRAIN PROGRAM HARD

(By Herb Hughes)

The most recent crop estimates for 1961 have brought forth some criticism of the 1961 emergency feed grain program, particularly from Congressmen.

Crop yields are setting records in production per acre. This should have been expected as more fertilizer was applied and the better land was devoted to the reduced acreage planted by farmers.

For consumers this should be good news. As our population expands it proves we have a reserve production potential.

A new Feed Grain and Wheat Advisory Committee has been appointed by Agriculture Secretary Orville Freeman to make recommendations for a new program to present Congress next year to become effective with the 1963 crop year.

This Committee has been meeting this past week for the first time.

The Committee has a hard task ahead of it in developing a program that will get results and still get the approval of most members of the agriculture committees of Congress.

The writer is personally acquainted with most members of the Advisory Committee. They have the experience and knowledge to make sound suggestions, and I have complete confidence in their ability to compromise any differences and to make sound, workable recommendations.

I wish I could feel as confident of what will happen to their recommendations after they are made.

Because they are an advisory committee it will be up to the Secretary of Agriculture and his policy committee to make the final recommendations to Congress after clearance by the President and White House staff.

Then the legislation will come under attack from many sources. The farm organizations as represented by their leaders will certainly not be unanimous in their support, if one can judge by past performance.

Then there will be the processors of agriculture products who in general like plentiful supplies and low prices.

The road will be long and rocky before farmers will know what to expect for 1963, and the members of the Advisory Committee may have difficulty in recognizing the final result as their work. There should be an easier and more effective way of dealing with this national problem.

Many times the administrative details of a farm program have more to do with its effectiveness than the basic legislation itself. Many examples of this are developing in the present 1961 feed grain program. Another important item is the cost of administration which has skyrocketed this past summer.

Next I will explore some of these administrative problems and their effect on farms.

[From the Denver Post, Oct. 1, 1961]

THE FARM PROBLEM—SURPLUS CUT NEEDED; POLICY DETAILS SCORED

(By Herb Hughes)

There is pretty general agreement among farmers in the big production areas of the country that it is necessary to reduce production of surplus crops.

What causes the most criticism is the inequitable way the program fits individual farms.

For example, the most recent legislation contains a provision that any acreage of wheat or feed grains diverted under the emergency program must be placed in a soil conserving use and must be in addition to the normal acreage devoted to such use in 1959 and 1960, including summer fallow.

The principle is sound and is necessary if results are to be achieved. However, in actual practice it rewards the farmer who in those 2 years ignored good soil conservation practices and instead planted his land heavily and contributed most to the accumulating surplus.

This provision, when applied, causes great dissatisfaction among farmers.

The proper way to do this would be to allocate to each county the acreage normally in conserving use and let the farmer committees allot shares to individual farms on the basis of a sound longtime land use program.

This has been one of the biggest objections to past programs. Yet it has not been corrected.

AGRICULTURE SLIPS

There is cause for concern in the plains areas of the country about the economic position of agriculture relative to the more humid areas of the country because of the effects of past farm programs.

Such programs in the past have been administered under the assumption that the surplus problems were caused by production from so-called marginal areas.

For example, when the first farm legislation was declared unconstitutional by the Supreme Court in 1936, a new program was enacted to pay farmers to divert to conserving uses cropland in addition to that normally in that use.

HARD TO SELL

This program was hard to sell in the humid or Corn Belt section of the country because of the crop rotation systems and use of legumes which had been encouraged by our land-grant colleges over the years.

At that time I was familiar with the ratio of depleting crops to cropland in eastern Nebraska counties as compared to the western or wheat area.

Most eastern counties had a ratio between 60 and 70 percent but in the west most were in the 90 percent area. There was practically no summer fallow practiced then.

Today the position is reversed with the development and increasing use of commercial fertilizers and the experiments carried on by agricultural colleges and others of continuous corn, the crop rotation systems and use of legumes for soil building purposes has been substantially reduced in the eastern areas. But in the wheat or western areas

summer fallow, or the practice of alternate year cropping, has become widely used.

In the 2 years previously referred to and now used as a base, this humid area of the country had no restrictions on the acreage of feed grains or soybeans the main crops. In addition, farmers there had the privilege of planting 15 acres of wheat though they had never previously produced it, and a great many did so.

The economic advantage of the humid area resulting from the use of this period as a base along with the greatly increased yields per acre in that same area concerns me.

If we are entering into a long period of crop adjustment, adequate research on this problem should be carried out so the plains area can defend itself.

Clear Channels—16 Years Later

EXTENSION OF REMARKS
OF
HON. JOHN D. DINGELL
OF MICHIGAN
IN THE HOUSE OF REPRESENTATIVES
Wednesday, September 27, 1961

Mr. DINGELL. Mr. Speaker, pursuant to permission granted I insert into the Appendix of the CONGRESSIONAL RECORD an editorial entitled "Clear Channels—16 Years Later," from the June 19, 1961, issue of Broadcasting:

CLEAR CHANNELS—16 YEARS LATER

What the Nation doesn't need most are more radio stations. This is not to say that reception everywhere is optimum. There are white areas but these are so isolated that broadcasters would be hard put to eke out a living.

Yet the FCC last week proposed to add new stations by breaking down half of the existing 24 clear channels to allow additional class II (power up to 50 kilowatts) stations to be licensed under "controlled conditions." What those conditions may be won't be known until the FCC releases its formal decision some weeks hence.

The FCC's decision was based on hearings held in 1945–46—16 years ago. Then there were fewer than 1,000 AM radio stations in operation. There were some 50 FM's and a half dozen largely experimental TV's. Today there are more than 5,000 broadcast stations, of which nearly 4,000 are AM's. Radio competition is so rigorous that some operators, illogically, forgetting about free enterprise, want the Government to consider the economic ability of a community to support additional competition. FCC Commissioner Robert E. Lee even has suggested a freeze on new AM stations.

This FCC inherited the clear channel problem from predecessor commissions. The membership—except for one, Commissioner Rosel H. Hyde—has turned over several times since 1946. Conditions today do not remotely resemble those of 16 years ago. There is no shortage of service in any metropolitan area.

Clear channels were created to serve rural and remote listeners by providing high power on channels protected from interference by other stations.

Clear channels still provide rural and remote service. But the extent of this service hasn't been audited since those 1945–46 hearings. The FCC proposes, for example, to duplicate all four of Chicago's clear channel stations in the heart of the Nation's breadbasket. Does it know how many people in the Middle West will lose out when the nighttime coverage of these channels is curtailed by the addition of other stations? How would these rural folk be alerted in the event of a national emergency?

We think the FCC waited too long. It needs updating. We have suggested before and we urge again that the FCC schedule arguments or a short hearing to determine whether the new breakdowns are necessary or desirable. Spokesmen for the farmers and the ranchers, as well as the lawyers and engineers, should be heard. The stakes are too big. Moreover, we fear that these duplicated assignments, once the breakdown is final, will gravitate to the more populous metropolitan areas, already surfeited with service. It happened before.

Highway Safety

EXTENSION OF REMARKS
OF
Hon. EVERETT McKINLEY DIRKSEN
OF ILLINOIS
IN THE SENATE OF THE UNITED STATES
Wednesday, September 27, 1961

Mr. DIRKSEN. Mr. President, we are about to embark upon a new era of highway safety with the advent of a new paving material, Wyton, which will enable highway engineers to use color for direction, caution, and other warnings.

Traffic and highway engineers have long recognized the need and advantages of color paving since safety experts agree that people have long associated colors with direction and caution.

My home State has taken the lead in this field and many installations have already been made there. The first material to be put down was in the city of Chicago. The product, Wyton, was developed by the Velsicol Chemical Corp., which is a Chicago-based concern. Coming up with new products is "old hat" for Velsicol—they developed the first chlorinated insecticide to be synthesized in the United States, chlordane.

However, this new breakthrough is of vital interest as we proved with our multibillion-dollar interstate highway program. These high-speed highways and interwinding cloverleafs can use color for both direction and safety.

Perhaps some of my colleagues will remember certain news stories which appeared in the Washington newspapers telling of the work the District Highway Department did at Rosslyn Circle on the Virginia side of Key Bridge. They resurfaced the traffic islands with a grass-green color to keep motorists from driving their auto onto it. Besides bringing new beauty to the area it is serving its purpose.

On Sherman Avenue in northwest Washington, the center median was paved in yellow to provide safety for pedestrians and caution motorists. It, too, is proving very successful.

No one is more interested than I in enhancing the beauty of our national parks and monuments. Here, again, this material will add greatly to our various shrines, parks and play areas. At Carter Barron Amphitheater, the sidewalks were paved with a forest green color to blend with the natural beauty of the area as well as provide a safer walking area for the patrons.

While these few installations are demonstrations of what can be done with color paving, in Illinois they have utilized it in many other ways to protect life and limb.

The Chicago Sun-Times and the Tribune report that access roads to high-speed freeways are being paved with red or yellow material to caution motorists upon entering and leaving. Dangerous intersections about the city will be put down in red and yellow so that both pedestrians and motorists will show more caution.

Everyone has been associating colors with various warnings and their meanings are embedded in their minds from the day they are born. When we see them, our reflex is automatic.

One cause of highway accidents is road fatigue and driver indifference. Safety officials have discovered that one reason for road fatigue is driving over the same monotonous color which causes a sort of hypnosis. Drivers lose their reflex action to an extent and accidents result. Now color can be used to break up the monotony and act as an alarm clock for motorists.

Another functional property of this new product is it can be laid down over both concrete and asphalt roads without special advance preparation.

This is especially important when it comes to resurfacing bridges. On reinforced concrete bridges you have several maintenance problems. One of the more serious ones involved those areas of severe winters where salt is used to eliminate ice.

The salt, where reinforcement bars have been exposed by expansion joints or spalling, corrodes these bars and the strength of the bridge is seriously affected. Also, moisture gets between the deck and wearing areas, freezes and causes the wearing surface to break up. The new material can be used as a wearing material and sealer to keep the bars from being exposed to water and salt. This would avoid costly maintenance and inconveniences which occur when bridges are closed for repair.

Not only is this material a boon to highway and safety engineers, but the white material as well as other colors can be used at airfields. White landing strips would greatly improve visibility at night and during adverse weather conditions. Taxi strips could be paved in different colors so that pilots could differentiate.

Also I am advised, a major obstacle around airfields is birds. As my colleagues will recall, one of the major air disasters in the United States occurred at Boston where it was determined that a flock of birds caused an airplane to crash while it was taking off.

Some officials at the Fish and Wildlife Service have reasons to believe that certain colors used on runways might act as a repellant and drive the birds away. This in itself would be a tremendous contribution.

Mr. President, I do not expect all our roads to be paved with this new material, but if it can help reduce the slaughter on our highways it should be used at critical points.

New Frontier Farm Policies: A Report on the 1st Session of the 87th Congress

EXTENSION OF REMARKS
OF

HON. CHARLES B. HOEVEN
OF IOWA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 27, 1961

Mr. HOEVEN. Mr. Speaker, we have now completed the 1st session of the 87th Congress and I feel it is a fitting time for a thorough evaluation of the farm policies of the New Frontier. Frankly, Mr. Speaker, I am very much disturbed by some of the tendencies exhibited by the Kennedy administration in this vital area of our national policy.

The fixation of the New Frontiersman for the complete and total domination of all American agriculture became apparent this year. So did a mania for centralizing all marketing decisions in Washington. So did an executive branch insistence on a patently unconstitutional method of imposing new farm programs on every farmer and for every farm commodity in America by voiding and making a mockery of the constitutional prerogatives of Congress. So did a callous disregard for both the American sugar grower and the intent of Congress as legislatively recorded in the Sugar Act extension. So did a number of unsound fiscal policies masquerading under the mantle of phony liberalism. And the final folly of the New Frontier farm policy was its naive program of providing surplus agricultural commodities to the Soviet Union and the Eastern European Communist satellites at subsidized prices.

Each of these tendencies portends great danger to both American agriculture and to the free enterprise, private initiative system which built our great Nation. Fortunately for the people of this Nation some of these tendencies were completely stifled by the Congress and others were effectively limited. Unfortunately, however, some were consummated in spite of strong Congressional opposition.

And at this point, Mr. Speaker, I would like to take one brief moment to both thank and commend the minority members of the House Committee on Agriculture for their courage, dedication, and cooperation in steadfastly resisting the unsound and unsavory actions of this administration, while at the same time acting constructively and effectively on those portions of our farm programs which accrue to the benefit of our farmers and our Nation. Had it not been for their support and assistance I shudder to imagine the kind of America we would have in just 1 year on the New Frontier.

During this 1st session of the 87th Congress there were four major issues in agriculture. Three of these were legislative: the feed grain bill, the omnibus farm bill, and the sugar bill. The fourth was the Department of Commerce's announcement upon behalf of the Kennedy administration that subsidized sales would be allowed to Russia and the Eastern European Red nations.

I would like to review each of these major issues and also show some of the constructive measures which Republican members of the committee and the House supported.

THE 1961 FEED GRAIN PROGRAM

The first piece of farm legislation this session was the enactment of a 1961 feed grain program. The administration asked for a 1-year program applying to corn, oats, rye, barley, and grain sorghum, whereby farmers would be eligible for price supports and land retirement payments only if they participated in the program. The Department of Agriculture also asked for unlimited authority to sell Government-held surplus feed grain in order to break the economic backs of "noncooperators."

The House Committee on Agriculture limited the program to only corn and grain sorghum and slightly limited the Secretary's feed grain dumping authority by providing that CCC sales could not be made for less than 17 percent below the support price.

In the additional minority views on H.R. 4510, expressed by myself and the gentleman from Minnesota [Mr. QUIE] the ranking minority member of the Livestock and Feed Grains Subcommittee, we pointed out that the dumping authority was an unprecedented and unsound provision and we strongly opposed this feature on the floor of the House.

We pointed out, however, that except for this provision the proposal contained a number of features long advocated by myself and many other Members from the Midwest. These were the voluntary retirement of land, the use of payments-in-kind to finance this retirement, and the requirement that producers participate in the program in order to be eligible for the benefits.

Although it contained these beneficial features, we opposed this bill in the House because of its dumping features and it narrowly passed—209–202.

The Senate bill did not contain this controversial dumping feature so when the conference convened, I was hopeful a suitable compromise could be reached.

The final version which was worked out did represent a compromise of sort, but it still gave the Secretary of Agriculture vast powers in manipulating the grain market. It was one of the toughest decisions that I have been required to make as a Member of Congress, when I supported the conference report on this bill. I did so because I felt the farmer should be given the benefit of the doubt and because I felt that with proper administration this program could be of assistance in improving farm income and solving our surplus problem in feed grains. The record of the Department of Agriculture in administering this program unfortunately has left much to be desired. Here are some of the great unanswered questions Mr. Freeman has raised with his administration of the program:

Why is there a discrepancy of approximately 5 million "phantom acres" between the Secretary's report submitted pursuant to Public Law 87–5, which showed approximately 87 million acres of corn planted in 1959–60, and the reports of the Crop Reporting Board and other agencies within the Department, showing only some 82 million acres planted in 1959–60?

With the productive genius of the American farmer being fully exhibited this year, will the Department be able to sell some $680 million worth of payment-in-kind certificates without completely destroying the feed grain market? USDA has already sold 235 million bushels of corn between October 1, 1960, and September 1, 1961, as compared to only 105 million bushels during the previous year, under the pretext that it is "going out of condition."

What will be the total cost of such a policy? The loss to feed grain farmers on their 1960 crop because of this 1961 dumping may run into many millions of dollars; and the ultimate cost to the Government in taking over 637 million bushels of the 1960 corn crop, the highest on record, is still untold. These costs are, of course, in addition to the $680 million cash outlay by CCC to finance the payment-in-kind certificates.

What will the impact of this program be on hog, cattle, and other livestock? Indiscriminate dumping could easily disrupt the delicate balance between livestock and feed grains.

What effect will the little-publicized Neal Smith amendment which limits feed grain price support to cooperators to a volume based on the per-acre yields in 1959–60?

What is meant by the Department's recent announcement that 1961 corn market prices will be kept at "reasonable" levels? The current market price is only 64 percent of parity. Can this be "reasonable," particularly in view of the fact that no certificate corn has been sold yet?

These questions must be answered fully before this program can be made to work. Mr. Freeman told us he had the answers. We must wait to see whether he does.

SUGAR

Pursuant to legislation enacted in the 86th Congress, the Sugar Act was scheduled to expire on March 31, 1961. It was necessary, therefore, for Congress to extend this law and we did so in Public Law 87–15, by extending the act to June 30, 1962, giving the administration the authority it requested in regard to withholding from the Dominican Republic its share in the cutback of the Cuban quota, and establishing a congressional policy that in redistributing the Cuban quota "special consideration" should be given to countries of the Western Hemisphere and to those countries purchasing U.S. agricultural commodities. No provisions were made for protecting the legitimate interests of American sugar growers, particularly those in new production areas.

In a special study prepared in the Department of Agriculture last year at the

request of the House Agriculture Committee, it was clearly demonstrated that U.S. growers had both the capacity and the ability to provide more sugar for our domestic market. Because of the obvious justice in letting American farmers enjoy a greater share of the American sugar market, on May 19, 1961, I urged Secretary Freeman to clarify the administration's position in regard to increasing domestic production at the earliest possible date.

I cited three main reasons presented by new growers as justification of their request for an opportunity to produce more sugar. These reasons are first that increased U.S. sugar production will mean increased farm income in many Western and Southwestern States. Second, sugar is a deficit crop in the United States and since we rely on foreign sources for a great portion of our needs, an increase to meet these needs is justified. Third, the Cuban fiasco has tightened Communist control of Cuba, the nation we have historically depended upon for approximately one-third of our sugar supply. I pointed out that there is no valid reason why we should redistribute the Cuban quota all over the world when American farmers can do the job.

In spite of my suggestions and the concerted efforts of many Members of Congress, Secretary Freeman on August 3, 1961, announced that the New Frontier had forgotten the sugar farmers of America, saying in part: "For several reasons it appears inadvisable to present such recommendations before the beginning of the next session of Congress. World production and marketing of sugar are undergoing realinement and the situation has not yet stabilized. This fact coupled with other uncertainties in the international field lead us to believe it wise to reserve judgment, for the present, about some of the major issues respecting sugar import quotas."

It is certainly my hope that at the very beginning of the 2d session of this 87th Congress we can get down to the business of a long-range extension of this program which will properly reflect the interest and productive capacity of new growers, the forgotten farmers on the New Frontier.

Another disturbing aspect of the Sugar Act extension was the flagrant disregard of the administration for the intent of Congress in regard to the redistribution of the Cuban quota. Despite convincing evidence that at least three nations were prepared to purchase for dollars large quantities of our agricultural commodities in return for a share of our sugar market, the administration arrogantly disregarded the clear intent of Congress with regard to giving these nations special consideration. These nations were allowed to sell their sugar to us, but the administration did not require them to buy U.S. farm commodities.

In the statement of managers on the part of the House in House Report No. 839 on the omnibus farm bill, the following statement appears:

Obviously some subordinate officials in the Department of State not only frown upon the clear intent and meaning of legislation which has been enacted by Congress, but arrogantly and deliberately refuse to execute the laws enacted as Congress has clearly indicated such laws should be administered.

While these officials and representatives of the executive branch of the Government might not be guilty of malfeasance they very well may be guilty of malfeasance of office.

On the floor of the House on August 3, 1961, at page 13545 of the CONGRESSIONAL RECORD, the chairman of the committee, Mr. COOLEY, made the following statement in this regard:

Unfortunately, the State Department operating through a man by the name of Martin seems to be making all of the decisions with regard to the purchases of sugar from all sources for our own domestic market. Mr. PAUL JONES, of Missouri, is chairman of our Legislative Oversight Subcommittee, and he has conducted hearings and has had Mr. Martin before the committee. I sat in on part of the hearings. I am frank to say Mr. Martin was arrogant and utterly indifferent to the clear intent and meaning of the language of the law that we wrote when we extended the sugar act the last time. He took full responsibility. We intended that consideration—yes, special consideration should be given to countries purchasing our agricultural surplus commodities. Apparently, that language in the law has been completely ignored by Mr. Martin in the State Department because it developed before Mr. JONES' committee that not only Brazil had offered to buy a ton of wheat for every ton of sugar that she was permitted to sell in our market, but it would up somewhat differently. I will repeat, the Brazilian proposal contemplated the sale of a ton of American wheat to Brazil or to people in Brazil for every ton of sugar which she was permitted to sell in our market. The final decision provided that Brazil should be permitted to sell into our market 225,000 tons. Someone told me that the sponsors of the project would not have to buy our wheat. When that was reported to me, I tried to ascertain the name of the person who made that suggestion and everything pointed to Mr. Martin. I am convinced, and I think our committee is convinced that Mr. Martin is the man who relieved the sponsors of the necessity of purchasing American wheat to the extent of 225,000 tons. The same situation existed in connection with the project submitted by some people in India. India ended up by being permitted to sell 225,000 tons in our market, and India was not required to buy a single ton of American wheat. The Fiji Islands had somewhat similar proposition. And there are other proposals pendings. Mr. Martin notwithstanding the language of this act of Congress said that anyone who specifically proposes a bilateral proposition of that type had one strike against him to start with. I submit we will never get rid of these surplus commodities, if we always have some bureaucrat putting roadblocks in the way. The Brazilians did just what I told Mr. Martin they probably would do, and that is they purchased their wheat requirements from Russia rather than from the United States.

In spite of these strong words the American taxpayer and the American farmer were left holding the bag and a golden opportunity to dispose of some of our farm surpluses has been irrevocably lost. As pointed out by the chairman, the Brazilians then turned around and purchased their wheat requirements from Russia.

OMNIBUS FARM BILL

After Congress had cleared the feed grain and sugar bills we were confronted with the so-called omnibus farm bill. This 79-page document was the most thorough and sweeping plan for the complete regimentation of American agriculture ever devised by the mind of man. Extensive hearings were held before the committee and the most obnoxious features were deleted. During the House debate on the bill on July 26, 1961, at pages 12483–12485 I listed 50 items in this bill which had been requested by the Kennedy administration but which were denied by our committee. I also pointed out that in spite of Mr. Freeman's description of the denuded bill as the "most comprehensive piece of farm legislation since 1938," most of what was finally enacted consisted of extensions and modifications of Eisenhower farm programs, most of which were enacted in the 83d Republican-controlled Congress. These included Public Law 480, the National Wool Act of 1954, the school milk program, the veterans and Armed Forces dairy programs, the Great Plains program, and the provisions streamlining the Farmers Home Administration.

The wheat and marketing order amendments were to laws passed in the 1930's. The key feature of the New Frontier's program, title I, was scuttled. This was the proposal that was a warmed-over version of the Poage bill which was soundly defeated 236–170 in the preceding 86th Congress. It would have set up an arrangement whereby the Secretary of Agriculture through hand-picked so-called advisory committees could have set up producer controls on every one of the 256 farm commodities in the United States after going through a sham referral to Congress which could not amend or change any program but could veto it only by specific action. Inaction by Congress would cause it to go into effect. The final step would be a rigged referendum in which the Secretary could set the choices available and establish who could vote.

The Washington Post of Friday, June 30, 1961, succinctly wrote the obituary of this fantastic plan when it said:

President Kennedy suffered a major defeat yesterday when the key provisions of his farm program were plowed under on Capitol Hill.

During the prolonged consideration of this bill a great many claims and counterclaims were made. It is surprising that even today some of these fallacious arguments in support of title I are still being presented. I would like to point out several of them which repeatedly crop up.

The first claim about this bill is that "Congress would retain intact its responsibility to hold hearings, to approve, reject, or amend any farm program proposals made by the Secretary of Agriculture and representative committees of producers." Let us examine this statement in detail. First of all, Secretary Freeman's testimony on page 62 of the printed hearings indicated that any proposal sent to the Congress by the executive branch could not be amended. Here is the direct colloquy between Mr. Freeman and myself:

Mr. HOEVEN. I would like to clear up one matter.

Secretary FREEMAN. Yes, sir.

Mr. HOEVEN. When a commodity program or proposal is submitted to the Congress, can the Congress amend or change such program?

Secretary FREEMAN. No; the Congress would vote it up or down.

Mr. HOEVEN. Now, you are not answering my question. Can the Congress amend or revise the proposal which you send to the Congress before it is submitted to the referendum?

Secretary FREEMAN. Under the terms of the bill you would vote it up or down—not amend.

Mr. HOEVEN. The Congress could not amend or change it?

Secretary FREEMAN. But the Congress could introduce, of course, at any time, any legislation.

Mr. HOEVEN. I understand that, but I am directing my specific question to you when I contend that the Congress could not amend or change the proposal.

Secretary FREEMAN. Right.

Mr. HOEVEN. We could vote it up or down, and that is it?

Secretary FREEMAN. Yes.

The fact is obvious then that Congress would not retain its constitutional prerogative of amending legislation. I would add also that there is no requirement for hearings to be held and that Congress could not affirmatively approve a proposal. Any such proposal would go into effect automatically if there were no specific congressional action of disapproval within 60 days.

A second claim cited is that "it would diminish the power of the Secretary by requiring, first, congressional approval of changes in price supports, allotments, and other program changes and, second, a two-thirds vote would be needed before a change in programs could be made."

Any impartial observer should be able to realize that H.R. 6400 sought additional legal authority for the Secretary. If it did not, what would be the need for all the controversy? The statement of policy in the bill setting forth the purpose of the legislation rebutted any contentions that the authority of the Secretary would be reduced when it stated:

SECTION 1. Declaration of policy:

* * * * *

(d) improve and broaden existing legislation to assure flexibility for effective supply adjustment and price and income stabilization;

(e) authorize the utilization of such additional and varied price and income stabilization methods as will best protect the prices and incomes of farmers;

As to the point that a two-thirds vote of farmers would be needed to change a program, let me point out that sections 360(i) and 360(j) of H.R. 6400 provided that the Secretary of Agriculture would determine just who would vote in any referendum. The final sentence of section 360(j) provided as follows:

The determinations of the Secretary as to the farmers eligible to vote in the referendum hereunder and the proclaimed results of such referendum shall be final and conclusive.

What this means to farmers is just this—in last year's model of this legislation, the Family Farm Income Act, or Poage bill, which, as I have previously indicated, was defeated by the House by a vote of 236 to 170, there was a similar provision which specifically tied down the question of who could or could not vote in any referendum. Under the criteria of that bill, the following percentages of producers would not be eligible to vote: Cotton, 25 percent; burley tobacco, 27 percent; Flue-cured tobacco, 9 percent; peanuts, 30 percent; rice, 10 percent; hogs, 45 percent; cattle, 55 percent.

I am not contending that these same percentages would necessarily apply to this year's bill, but I am contending that the Secretary would have the authority under H.R. 6400 to do exactly what last year's bill would have done in this regard. The power to select who will vote is the power to determine the outcome of that vote.

A third claim is that "producers of any commodity which does not have price supports or controls can remain free of controls. Any change would have to be initiated by producers and later approved by two-thirds of them."

In this regard, let me point out that the Secretary of Agriculture, not farmers, would write the farm program. Farmers should not be deluded into thinking they would have an effective voice; they would merely be handpicked rubberstamp advisers to the Secretary. As to initiating programs, here is what section 102 of H.R. 6400 provided:

(a) Whenever the Secretary determines such action is necessary or desirable, he shall provide for the selection under this section of a national farmer advisory committee for any commodity or group of commodities.

Furthermore, to this point here is what the General Counsel of the Department of Agriculture said in his legal brief on the constitutionality of H.R. 6400:

Title I of H.R. 6400 provides for industry advisory groups, but the Secretary is required only to consult and advise with such groups, and the Secretary has the authority to determine the details of the programs to be established pursuant to title I of H.R. 6400.

A fourth claim is that "it would cut governmental costs for programs designed to raise farm income in direct proportion of the ability of producers to design sensible marketing agreements and tools."

My only comment in this regard is to point out that during the hearings no one from the Department of Agriculture or any one else was able to come up with any concrete cost estimates. Secretary Freeman was unable to give a specific answer when I asked him the following question at page 47 of the printed hearings:

Mr. HOEVEN. What is the overall cost of your new program, Mr. Secretary

Secretary FREEMAN. Again I would answer you, and I am not trying to be evasive, honestly, not having set down any program, there are no dollar figures. There are limitations on the bill itself.

Now one of those limitations, for example, is that you could not have any price supports above 90 percent. Each device has a limitation.

Mr. HOEVEN. Could you give us an estimate as to the overall cost?

Secretary FREEMAN. No; I would say only this: that it would be substantially less, I am confident, than the present cost of the farm program.

Mr. HOEVEN. Do you think so?

Secretary FREEMAN. Yes, sir.

I think that commonsense dictates that the cost of the present program which controls only five crops would be skyrocketed by title I of H.R. 6400 which earmarked controls for 256 commodities.

Another claim is that "it would encourage self-help, self-financed plans to stabilize agricultural markets. It would clear the way for fewer, not more, Government controls."

If this is true, why did part VII of subtitle C of H.R. 6400 provide marketing quotas and penalties for "any agricultural commodity, including but not limited to the following: corn, tobacco, wheat, cotton, rice, peanuts, barley, oats, rye, grain sorghums, flaxseed, soybeans, dry edible beans, grass seeds, vegetables—including potatoes—fruits, tree nuts, and seeds, hogs, cattle, lambs, chickens, turkeys, whole milk, butterfat, eggs, hops, honey, and gum naval stores.

I frankly cannot understand how Government controls can be decreased by authorizing controls on 251 more commodities as this language plainly and clearly does. Fortunately, the cattlemen, poultry producers, and livestock farmers of America recognized this fact and made their views known.

I cannot close these comments about title I without a final word about the most fantastic and highhanded proposal included in the whole bill, the Secretary's request for a "blank check" for the 1962 wheat program At pages 68 and 69 of the hearings the following colloquy occurred:

Mr. LATTA. I have one question. Is it not a fact that in this bill the 1962 program would not be subject to review by the Congress?

Secretary FREEMAN. Yes, sir.

Mr. LATTA. That is true?

Secretary FREEMAN. Yes, sir.

Mr. LATTA. This would be a complete abdication of the powers of Congress, would it not?

Secretary FREEMAN. In this instance; no. In this instance because of the pressure of time the Secretary would be empowered to select the committee without going through the selective procedures to develop a program and to submit it to the referendum.

Mr. LATTA. They would actually be writing a program for wheat without being passed or reviewable by the Congress?

The CHAIRMAN. Let me interrupt. I thought that that provision after 1962 was only applicable——

Secretary FREEMAN. For 1 year.

The CHAIRMAN. Only applicable for the selection of the advisory committee—you still have no program——

Secretary FREEMAN. No; in this instance so far as the wheat program is concerned because of the pressure of time, it would provide that the Secretary would be authorized to name and call together an advisory committee.

The CHAIRMAN. That is right. And then you submit the program to the President and——

Secretary FREEMAN. No. This would be directly by referendum, in this instance, so far as wheat is concerned, because there would not be time.

The CHAIRMAN. Very well, we will recess now until 2:30 this afternoon.

It should be clear by now that the wheat provisions of this bill represent the biggest power grab of all. I, for one, feel there is a constitutional disability in any scheme to let the executive branch write, implement, and enforce a production and marketing program on producers of one of our most important grains without giving the Congress even the most perfunctory review.

SUBSIDIZED AGRICULTURAL EXPORTS TO COMMUNIST NATIONS

Probably the most bewildering action taken by this administration in the field of agriculture was the announcement by the Department of Commerce on June 22, 1961.

At that time the Commerce Department said in reversing a long-standing Eisenhower administration policy that henceforth it would issue export licenses to ship certain U.S. surplus agricultural commodities to Soviet Russia and the Eastern European Communist nations if such sales were made for a convertible currency. The Department further stated that North Korea, North Vietnam, Communist China, and Cuba would not be eligible for these transactions. The major commodities affected were feed grains, wheat, flour, rice, cotton, cotton textiles, and nonfat dry milk.

Under this so-called trade liberalization, export subsidies can be paid on food and fiber shipments to Russia and her European satellites. Export subsidies had previously been limited to shipments of surplus farm commodities to non-Communist nations only. The reason for the export subsidy program is that our domestic price level is substantially higher than the world market price and many of our agricultural commodities must be subsidized by the Government in order to be able to compete in world markets. These subsidies, for example, run up to 62 cents per bushel on wheat, 8½ cents per pound on cotton, 2 cents per bushel on corn, 21 cents per bushel on rye, and 7 cents per hundredweight on grain sorghum. At the same time our farm laws generally prohibit Government sales in the domestic market for less than 105 percent of current support price plus reasonable carrying charges.

The arguments proposed by the New Frontier in support of this sweeping policy change were, first, that these sales would accrue to the benefit of the United States because we would be disposing of our farm surplus, and, second, that some of our allies were trading with the Communists; so why should not we compete with them?

The first argument is fallacious, to say the least. If it were to our benefit to sell to Russia at bargain prices, why, then, would it not be equally to our benefit to make the same sales to Communist China, Cuba, North Korea, and North Vietnam, the Red nations excluded by the Commerce Department announcement. I do not see how Russian or East German gold can be more desirable than Cuban or Red China gold. I, for one, do not think we need to make subsidized sales to any Red nation for their bloody gold.

The second argument is equally ridiculous. If we followed that rationale we could open our shop in Red China tomorrow since, despite our grave concern, a number of our allies are doing business with the Chinese Reds.

Here, then, are the real effects of the administration policy:

First. We would be making our farm surpluses available to the Russians and other Red countries at prices substantially below those at which American consumers could obtain those same commodities. Under this policy a miller in Moscow could get American wheat for up to 62 cents per bushel cheaper than could a miller in Minneapolis.

Second. We would have no control over the transshipment of these commodities to Cuba, Red China, North Vietnam, or North Korea. The Russians could very easily see to it that those nations received our abundance, despite the paper prohibition of the Commerce Department.

Third. We would be aiding the Communist movement in its weakest area, which is agriculture. In whatever fields of science or technology the Soviets have equaled or exceeded us, they must take a back seat in agriculture. It takes one-half of the population of Russia to feed itself and the other half. In America less than 10 percent of our population more than adequately takes care of itself and the other 90 percent. By providing a steady and abundant supply of food and fiber to the Reds, we would allow them to release manpower and resources for their avowed goal of burying us. We would be financing our own destruction.

Fourth. Sales for convertible currencies under this policy would be a mechanism for avoiding the prohibition in Public Law 480 which prevents soft currency sales, barter, or donations to Russia or areas or nations dominated by world communism.

When I learned of this action by the Department of Commerce, I joined with some 21 other Members of the House and Senate in sponsoring legislation to reverse this foolish decision. Action on these bills is now pending in the Congress.

About the time that this policy was becoming widely known, the omnibus farm bill was being considered. When the bill came before the House, I was happy to support an amendment offered by the gentleman from Ohio, Mr. LATTA, which spelled out the intent of Congress on this matter.

The Latta amendment stated the policy of Congress that our Government should in no manner either subsidize the export, sell, or make available any subsidized agricultural commodity to the Soviet Union or to any nation or area dominated or controlled by the foreign government or foreign organization controlling the world Communist movement.

The Latta amendment was adopted by the House and I was privileged to fight for its retention in the conference report. It is now incorporated in section 2(c) of the Agricultural Act of 1961, signed by the President on August 8, 1961.

I wish that the story could end happily at this point, but unfortunately the Department of Commerce has not as yet made any formal reversal or repudiation of its announcement of June 22.

At his press conference on August 8, 1961, the Secretary of Commerce was asked this question about the newly signed Agricultural Act of 1961:

Will you follow the declaration of policy though?

Mr. Hodges replied as follows:

Let me say this about the declaration of policy: We have not received in the Department of Commerce any request for a license to ship anything abroad, and nothing has been done.

The Secretary of State and I, as you may recall—the release is available—on August 4 stated that because of the negotiations—reading between the lines—so that we might keep ourselves flexible there would be no change at the present time in what we were going to ship or not ship, but that we reserved the right to change any moment.

Now, as quickly as Dean Rusk gets back, I am going to sit down with him, and I'd rather reserve an answer until we have a chance to talk it out together.

Later in the same press conference he was asked this specific question in regard to the June 22 announcement:

You mean you're thinking of rescinding that ruling?

Mr. Hodges replied as follows:

Whether we will rescind the ruling or not I can't answer. It's entirely possible that that will be the effect of it.

Mr. Hodges makes the point that up to the present time no export licenses have actually been issued. The important thing to keep in mind, it seems to me, is not whether any of these subsidized sales have been made. The important point is that they can officially still be made. Undoubtedly the widespread congressional interest in this matter along with the extremely difficult arrangements necessary for any kind of a transaction behind the Iron Curtain have kept American firms from applying for export licenses under the June 22 announcement.

Mr. Speaker I have stood in the barren streets of East Berlin and looked at armed East German "Vopos" forcefully prohibiting the flight to freedom of thousands of East Germans. I have seen the Iron Curtain clamp down right in the middle of the city of Berlin. For the life of me I cannot see any rhyme or reason in allowing bargain basement sales to such ruthless enemies of our basic ideals of freedom and human dignity. The Kennedy administration should promptly and emphatically reverse its foolish decision of June 22.

CONSTRUCTIVE LEGISLATION

I do not want to close my comments on this 1st session of the 87th Congress without briefly recounting some of the legislation which I and other minority Members supported and attempted to perfect.

These included bills to provide additional sums for Public Law 480 operations, an adjustment in the Farmers Home Administration operating loan authority, an amendment to the Federal Insecticide, Fungicide, and Rodenticide Act, a number of bills to provide drought assistance, an extension of the Mexican

farm labor program, and the establishment of a national hog cholera eradication program. In addition, of course, there were a number of provisions in the omnibus farm bill which were supported. These include the extension of Public Law 480, the extension of the school milk program, the extension of the Great Plains conservation program, the extension of the National Wool Act, the modernizing of the Farmers Home Administration as well as some of the wheat, feed grains, and marketing order provisions.

In conclusions, Mr. Speaker, it is my hope that when we face new problems next year that we again reject the tenets of the New Frontier and that we dedicate our efforts toward the establishment of a sound, healthy, dynamic, and expanding agriculture, truly our most valuable national asset.

Germany: An Opportunity for Settlement

EXTENSION OF REMARKS

OF

HON. MORRIS K. UDALL

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 27, 1961

Mr. MORRIS K. UDALL. Mr. Speaker, under general leave heretofore granted I include in the Appendix an excellent article by Mr. Platt Cline, editor and publisher of the Arizona Daily Sun at Flagstaff in my district. Mr. Cline is one of the most highly regarded independent publishers in Arizona. The column follows:

OPPORTUNITY FOR SETTLEMENT

President Kennedy has made it clear that this Nation has no intention of being pushed out of Berlin. While emphasizing that we will not back down he leaves the door open for peaceful settlement of the dispute.

How else settle the question? Start a war?

Some commentators including the Phoenix newspapers take the stand that even discussing the matter with Russia is appeasement, another Munich and another case of a preordained failure for peace in our time.

What do they want to do—launch a war to unite East and West Germany?

The Russians took East Germany by force of arms during World War II. Whatever threat they have since become we should remember they were invaded by Germany in the early years of the war, and that they lost 10 million lives in that conflict. Of course the Russians have no intentions of getting out of East Germany because De Gaulle doesn't want them there, or the West Germans don't want them there. It looks like they are there to stay, at least until the Germans themselves figure out some way of getting them out.

Before we start screaming appeasement we should remind ourselves that a divided Germany is healthier for the peace of Europe and the world than a united Germany. Germany has invaded her neighbors time and time again. Talk to the Danes, the Dutch, and for that matter, the Czechs and the Slavs. Divided Germany probably will always lack the strength to commit aggression against the other nations of Europe.

If we consider that a divided Germany is better for peace and that East Germany is separate from West Germany, and in exchange for this formal recognition make sure we will have continued access to West Berlin, it will be the best and fairest deal we can expect to make under the circumstances.

The Russians are a continuing threat to world peace. But another threat is the failure of some American citizens to see the German picture as it really is.

Sandburg Leads Race for Illinois Poet Laureate

EXTENSION OF REMARKS

OF

Hon. EVERETT McKINLEY DIRKSEN

OF ILLINOIS

IN THE SENATE OF THE UNITED STATES

Wednesday, September 27, 1961

Mr. DIRKSEN. Mr. President, the great portrait of Abraham Lincoln alone should qualify Carl Sandburg as an Illinois poet laureate. In verse he gave to the world the life of Lincoln equal to volumes written by historians.

Born in Galesburg, Ill., in 1878 and now a resident of Flat Rock, N.C., he is still claimed by the people of his birthplace. He typifies the American way of life of the 20th century, born in poverty, and with skill and ambition arose to the top in his art.

I ask unanimous consent that the article, "Sandburg Leads Race for Illinois Poet Laureate," taken from the Western Courier of September 13, 1961, published in Macomb, Ill., be placed at this point in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

SANDBURG LEADS RACE FOR ILLINOIS POET LAUREATE

A coed-sponsored drive to name an Illinois poet laureate is gaining momentum—and with Carl Sandburg gaining strength as prime nominee.

Annie Williams, Downers Grove student, enrolled at Western Illinois University, started the campaign during the summer months. She has asked heads of English departments of 50 Illinois colleges and universities to name the person who should be honored as Illinois poet laureate.

Mrs. Charle J. Bednar, president of the Carl Sandburg Association, wrote: "I want you to know how grateful we all are for the interesting job you are doing for the Western Courier."

Annie is on the Courier staff at WIU.

Mrs. Bednar added, "You will note that two Illinois Senators, as well as Adlai Stevenson, are members of our board. We would feel it a justified honor if the State would compliment Mr. Sandburg by naming him 'Poet Laureate.'

"He will be 84 January 6, 1962. We will be very happy to cooperate with you in any plans for the future."

Sandburg is leading, Annie said. "But some don't go along with him. I was surprised that Howard A. Wilson of Knox College in Galesburg voted for Archibald MacLeish. Everyone knows that Sandburg's hometown is in Galesburg—even if he now lives in Flatrock, N.C.

George Williams College named Gwendolyn Brooks; Jeremiah C. LeHane, DePaul University, named Vachel Lindsay. Richard M. Eastman of North Central College declined to nominate a candidate.

Most English heads feel that Sandburg's residence shouldn't bar him for the honor.

Students are digging into the literature books in the WIU library to find out how to bestow the honor in a proper way once the poet is located.

The President's Economic Policy

EXTENSION OF REMARKS

OF

HON. ABRAHAM J. MULTER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 27, 1961

Mr. MULTER. Mr. Speaker, I commend to the attention of our colleagues the following intuitive and eloquent defense of President Kennedy's economic policy; it successfully refutes the fallacious argument that contends that there has been no change from the previous administration. The article appeared in the New Republic on September 18, 1961:

KENNEDY'S ECONOMICS

(By Seymour E. Harris, Littauer professor of political economy at Harvard University and was a member of the President's task force on the economy)

In his June television program, Mr. Walter Lippmann said of President Kennedy: What he has done in the first 4 or 5 months is "first of all to carry on in all its essentials the Eisenhower economic philosophy. * * * It's like the Eisenhower administration 30 years younger." Criticism from labor leaders and others has been even stronger. For instance, the able economist, Oscar Gass, writing in a recent issue of Commentary, declared that President Kennedy has "projected little and accomplished almost nothing." Gass is critical of his tax, spending, and interest rate policy. Leon Keyserling, a former chairman of the President's Council of Economic Advisers, who was so largely responsible for the acceptance of the "growth" thesis by the Democrats, found the President's goals far too low and stated that the "proposed programs fall far short even of compatibility with these excessively low goals. * * *"

I do not go along with these criticisms—though I am not critical of the economists, including members of the present Council, who have been urging larger deficits as a means of treating the unemployment problem. I share a view that a $10 billion deficit or thereabouts may be necessary to bring unemployment down to around 4 percent by next year. But this does not mean that the President should necessarily support a $10 billion deficit for fiscal year 1962.

Economics is one thing; politics is another. No one has criticized the President for lack of political acumen.

I have seen no evidence that the Congress is prepared to go along with large deficits except for security reasons. In fact, on a number of vital issues, it is clear that the President is ahead of Congress, which was not even prepared to go along with the President when he proposed $2.5 billion for a 4-year urban renewal program. Congress clearly differentiates between budgetary expenditures and other commitments in the housing bill. Nor did the Congress accept the President's recommendations in full in other welfare programs; e.g., the liberalization of old-age insurance and the manpower training bill.

Should the President move too far ahead of the Congress in his espousal of deficit financing, his program could be in jeopardy.

Where the line is drawn is a matter of political judgment. In my opinion a $5 billion deficit in fiscal year 1962, largely explained by the Berlin crisis, is acceptable to Congress; a $7 billion deficit may be tolerated; a $10 billion one substantially tied to welfare programs or (and) tax cuts would likely induce sabotage of the economic program of the President and the New Frontier.

The charge made against the President is that he appears excessively concerned with keeping spending and deficits down. But no administration has advanced as far as the Kennedy administration in accepting Keynesian economics. Whereas in his last economic report, President Eisenhower was silent on the recession and his aids, inclusive of Nixon, continued to deny it in the late months of 1960, Kennedy proclaimed its presence and expressed a determination to treat it with Federal deficits. In his speech before the National Press Club of June 20 the Secretary of the Treasury supported deficit financing as a means of treating a deficit—and this is the first time, to my knowledge, that this position has been taken publicly by a Secretary of the Treasury. Anyone who doubts the advance of the New Frontier should compare the Keynesian thinking of Roosevelt, Morgenthau, Snyder, Humphrey and Anderson with that of Kennedy. It was Eisenhower and Humphrey, not Kennedy, who would cut taxes at the top of a boom just when the appropriate policy would be a rise of taxes to treat the exuberant economy.

Indeed, in the debates on economic policy, the President has been cautious in supporting large deficits. But economists, increasingly aware of the emergence of budgetary surpluses long before full employment would be reached, urged recourse to deficits through tax cuts or (and) increased public expenditures. Most economists agree that the solution of the unemployment problem depends especially on adequacy of demand, in turn related to appropriate fiscal and monetary policy. Deficits and low money rates are the facets of adequate demand policy.

The Council and economists generally stress the need of appropriate monetary and fiscal policy as a means not only of dealing with cyclical unemployment but also with the estimated 1–2 millions structurally unemployed. That the level of demand is of great significance is suggested by this fact: Of eight industries that experienced a decline of jobs from 7.5 to 5 million in postwar, the loss was but 1 percent average in prosperous years and 8 percent in depressed years.

In Washington, nevertheless, there seems to be a disposition to over-stress the general against the specific attack. No general measures are going to solve the problems of the textile, coal, automobile, aircraft, and similar towns though they contribute to a solution. The rise of unemployment at the top of a boom in successive cycles, the rise in numbers and persistence of depressed areas, the decline of demand for the unskilled, the large increase of young and older workers especially vulnerable to unemployment—all of these point to a residue of unemployment requiring special measures.

The President has been well aware of this problem of residual structural unemployment. His support of the manpower training bill, the Area Redevelopment Act, a permanent revision of unemployment compensation—all of these point to his determination to solve the problem of structural unemployment by direct attacks as well as the deficit and monetary policy routes.

It is not clear that beyond a certain point the most economical way of treating structional unemployment is through general measures. The Secretary of Labor estimated that $700 million would finance the retraining of 800,000 unemployed in 4 years. Even if only one out of eight found jobs—say only for 8 years—the cost per man-year would be less than $1,000. But the cost of an additional job per year through deficit financing can very roughly be put at about $4,000—and this allows for the secondary effects on income of the deficit. In both instances, I do not deduct for gains in relief, unemployment compensation, and taxes.

Hence the President's reluctance to incur large deficits may, in part, be explained by a somewhat greater reliance on the direct approach (e.g., retraining, stimulation of new industries in depressed areas) than is favored by many economists.

Another point can be raised in support of the President's position; namely, that he has a responsiblity to establish priorities in spending. He may not have foreseen the exact time of the Berlin crisis, but the possibility of an intensification of the cold war was clear to all. Excessive commitments on welfare outlays, and a tax cut, if added to later security outlays, might have put an excessive burden on the budget. The deficit in fiscal year 1961 was $4 billion, and current estimates for fiscal year 1962 are $5 billion, though the ultimate figure may well be higher.

Whereas Congress has gone along willingly with the President's proposals to spend for space and security, it has been amendable to welfare commitments. Indeed, there may be differences of opinion on whether the President is seeking an adequate deficit to bring recovery and stimulate growth, but that anyone can describe Kennedy's economics as a carbon copy of Eisenhower's is almost beyond belief.

The major objective of Eisenhower's administration was to reduce Federal expenditures and deficits, with the incidental advantage of price stability. The budget was not an instrument of policy, but an objective. For Kennedy, the budget was also a means of stimulating the economy.

In his special message on the defense budget of March 28, President Kennedy said: "Our arms must be adequate to meet our commitments and insure our security without being bound by arbitrary budget ceilings." In response to growing dangers he did not cut the military budget by $10 billion as Eisenhower did and impose on the Nation the massive retaliation doctrine in large part to apepase the economizers; nor did he give his Secretary of the Treasury virtually a veto power over military budgets as Sherman Adams reveals Eisenhower bestowed on Humphrey. Kennedy, in the face of danger, despite his concern for responsible spending policies, increased the military budget by at least $5 billion.

Nor has Kennedy followed Eisenhower in the latter's determination to balance the budget account rather than the budget. In order to give the budget a good appearance, Eisenhower rented post offices rather than built them (despite the increased costs), diverted civil service pension funds to the ordinary budget, sold FHA and CCC paper despite the adverse effects on the economy, disposed of $10 billion or more of relatively long-term securities in the midst of a recession in order to save interest and incidentally abort a recovery; and would finance a $100 billion road program out of a trust fund. At the outset of his administration, Kennedy stopped the sale of long-term securities and the sale of FHA paper in a recession when these were obviously serving to raise interest rates while the objective was to reduce them.

In the midst of great perils, the Government has to mobilize all weapons and that includes monetary policy. Yet Eisenhower refused to tell the Federal Reserve what was required of it and thus allowed the Fed to restrict monetary supplies and induce unemployment. At the outset Kennedy made it clear that he expected a policy of the Fed that was consistent with the objectives of the Government. The Fed felt pressure from the administration to provide more credit, reduce interest rates in the recession and in the recovery phase to keep rates from rising substantially. The President also understands that a reduction in rates would put a smaller burden on the budget: this is an alternative and additional way of bringing recovery.

Those who think that Kennedy's economics are a version of Eisenhower's should consider Kennedy's welfare proposals and accomplishments in the first 6 months of his administration; and they should compare these with the Eisenhower economic achievements over 8 years. Within 6 months the Congress had approved a depressed areas bill, a rise in minimum wages, temporary unemployment benefits, liberalization of social security, benefits for dependent children of unemployed parents, programs for water pollution, and the omnibus housing bill. In addition, the President asked for aid to education, college aid, hospital insurance and permanent revisions in unemployment compensation. Only in 1933 and 1935 can one find accomplishments of equal magnitude. Within 3 weeks of inauguration, the President had sent a temporary unemployment compensation bill to the Congress; and approval was obtained within 2 months of inauguration. Compare Eisenhower's timetable in 1958 for temporary help to the unemployed—a move made only under threat of permanent changes in unemployment compensation in a bill sponsored by Senator Kennedy.

Finally, Kennedy's objectives go way beyond fiscal responsibility. He was anxious to end the recession. In fact, a recovery of the second quarter of 1961 was a record achievement for the first quarter of a recovery and especially in relation to the percentage decline of gross national product. His spirited attack on the recession contributed greatly to its early end and quick recovery. However, Kennedy was even more interested in growth. The record on anti-recessionary policy was good. But how to get the 4–5 percent of growth so necessary for our struggle with the Communists and an adequate welfare program without adding greatly to tax burdens?

Whereas Eisenhower and his aids either avoided discussion of growth—or when they did confront it, spoke only of the stimulation of private investment through tax favors—Kennedy has stressed education, housing, scientific research and medical care and research as the ingredients that would yield growth; though he was aware that the increased investment was a factor he has stressed that investment without adequate purchasing power and consumption would mean a waste of resources.

In short, Kennedy knows that the budget is a weapon to be used for economic improvement; that the objective of economic policy is not a balanced budget but a balanced economy; that the budget and the monetary machine are weapons to be used to treat cyclical indispositions, the disease of structural unemployment, and to stimulate growth; that in order to achieve the larger gains, the President has a responsibility to prevent any creeping inflation from becoming a galloping inflation; that fiscal and monetary tools, however important, are not the exclusive weapons for achieving economic goals; and that economic therapy must be tethered to political realities.

Exchanges of Educational Leaders Move Toward Permanent Peace

EXTENSION OF REMARKS
OF
HON. KARL E. MUNDT
OF SOUTH DAKOTA
IN THE SENATE OF THE UNITED STATES
Wednesday, September 27, 1961

Mr. MUNDT. Mr. President, recently I had the pleasure and privilege of being a guest speaker at a dinner given by the National Advisory Committee for the Exchange of Teachers in honor of some 200 teachers from 16 other countries who will be teaching in schools throughout the United States during the coming year. I was impressed with the high caliber of these teachers and their winning personalities because they were the kind of teachers which any superintendent would be pleased to have on his staff. It also occurred to me how fortunate our students will be to have these teachers from other countries during the coming year, as they bring firsthand information about their cultures, their people, their problems, and their aspirations to us. It will be a tremendously stimulating experience for the students, the faculty, and the community. These visiting educators will bring a new focus on some of our problems and at the same time, emphasize many of the benefits of our way of life which some of us may be taking for granted.

New units of work will be developed in the classrooms because these teachers are here. New interest in learning to speak other languages will be generated. A desire to visit their countries to know more about their people will be fostered, and events which take place in a certain country will become more vital and meaningful because other people have met a teacher from that nation.

Our own teachers will have similar experiences abroad. Some 484 American teachers will be exchanging jobs, or teaching on a one-way assignment basis, or attending summer seminars in the language and social science fields. Teacher exchange and training programs are among the most effective projects under the U.S. international educational and cultural exchange activities. Teachers go into the small as well as the large communities, and they are teaching students at all levels of society. It has been said that "the teacher affects eternity" as she imparts knowledge and truth year after year to new groups of students. It is my hope that this most important category of exchange can be increased considerably because of its benefits personally and academically, and in the area of improved international understanding. Not only do we need to interchange teachers with those countries whose teachers are well trained and whose systems are somewhat similar to our own, but also we need to supply teachers of English in large numbers to many countries of the world and teachers in many subject fields in the newly emerging nations of Africa and the not so fully developed countries elsewhere.

I would particularly like to commend the U.S. Office of Education, Department of Health, Education, and Welfare, for the great care which has been exercised in recommending teachers for exchange to the Department of State and the Board of Foreign Scholarships, and for the excellent orientation program which they have prepared for the incoming foreign teachers to enable them to adjust more readily to American life and the American system of education, and orientation for American teachers going overseas, which has been conducted in cooperation with the Foreign Service Institute. I know of no better way to increase mutual respect, real knowledge, and good will than through the exchange and training of teachers and school administrators.

Let me say, quite frankly that I was proud to have these guest teachers from afar tell how much they appreciated my work in initiating and aiding our country's program of international cultural exchange, through the operations of the Smith-Mundt Act. I continue to believe this program produces significant and lasting dividends in terms of maintaining international peace.

Big Radio

EXTENSION OF REMARKS
OF
HON. JOHN D. DINGELL
OF MICHIGAN
IN THE HOUSE OF REPRESENTATIVES
Wednesday, September 27, 1961

Mr. DINGELL. Mr. Speaker, pursuant to permission granted, I insert into the Appendix of the CONGRESSIONAL RECORD an editorial entitled "Big Radio" from the September 18, 1961, issue of Sponsor:

BIG RADIO

In our humble opinion, what this country doesn't need is more radio stations. According to last count we now have about 3,600 AM outlets on the air, plus some 900 FMers, with another 150 construction permits.

We strongly urge the FCC to consider seriously the proposals which have been made for a moratorium on new licenses.

What the country does need is more good radio stations—stations that take pride in the fact that they're radio and in their ability to render exceptional service.

Good radio stations come in all sizes, shapes, and descriptions. But it's interesting to note that some of the best 30 years ago are still the best today. And it is also interesting to note that community radio hasn't swept away the need for the big area giant that sustained some sledgehammer blows in the early TV years and has now come back stronger than ever.

Sponsors are discovering that big radio delivers big. Many of the big stations perform a heartwarming service in the small-town and rural areas while discovering how to cope with the problems of building a metropolitan rating system.

To name only a few, all radio is proud of the present-day record of such stations as WGN, WHO, WSM, WFAA, WJR, WCCO, WSM, KSL, WSB, KDKA, KLZ, WLW, KMOX, WOW, WNAX, WWL, WSPD, WHAS, WBT, WTIC—obviously we cannot list them all.

The point is that such stations, of which there are perhaps 50 in the country, represent a different breed of radio. The continuing growth of radio as a national advertising force depends in large measure on their continuing growth.

A New Approach to Federal Aid to Education

EXTENSION OF REMARKS
OF
HON. CLEVELAND M. BAILEY
OF WEST VIRGINIA
IN THE HOUSE OF REPRESENTATIVES
Wednesday, September 27, 1961

Mr. BAILEY. Mr. Speaker, my colleagues are well aware of my long and intense efforts to enact legislation which will enable the Federal Government to assume its responsibility toward basic public education in the United States.

So far these efforts have been unsuccessful. Every year this issue has become involved in one or another extraneous matters. These have subdued the basic issues, which is the critical need to provide more and better educational opportunities for our boys and girls.

Unless we resolve this problem, unless we get American education moving forward at a more rapid pace, we shall not be able to survive as a free people in a free world.

Today our battle is not just a battle of firearms. While it is true that we must have a strong Defense Establishment in order to properly maneuver in a power conscious world, it is equally true that we are engaged in a battle of minds for minds.

Education—the training and development to the fullest extent of every mental and physical skill each of our boys and girls possess—is the key.

Experience has shown, Mr. Speaker, that nearly one-half of those rejected for military duty under selective service are those who have failed the mental tests. This alone proves the value and importance of education to our National Defense Establishment. We know, too, that the standards in our armed services will become higher and higher since we may continue to expect science and technology to advance still further.

The improvement of educational opportunities is definitely within the national interest. Nearly everyone recognizes this fact—at least nearly everyone gives lipservice to the proposition.

We have failed, of course, to express this broad national interest because so many who give lipservice are "yes, but-ers." Unfortunately, the "buts" touch upon areas over which all of us have great concern, and which are highly emotional.

First and foremost is the matter of local control. Despite the fact that the Federal Government has been aiding education in a limited way for many years, without imposing its will on curriculum and policy, this is a beautiful hatrack for those who would pose as

friends of education, but who in reality never give education a second thought.

The Congress has been willing, even anxious, to spend money to help certain school districts in areas of Federal activities without raising one whimper about Federal control. During the current fiscal year our expenditures through this program will be about $300 million. Since enactment of Public Laws 815 and 874, the Education Subcommittee has regularly been concerned about Federal control in the 3,800 school districts benefiting. We have repeatedly asked whether there was any attempt by the Federal Government to control local education. We have put the question, formally, in public hearings, to our colleagues, to board of education members, to school superintendents, and to businessmen. Not once has any witness suggested that there has been Federal control. In fact, the answers have been most positive. There has been no Federal control.

Be that as it may, we have had Federal control as a roadblock. Usually the "yes, but-ers" pick on our provisions for fiscal procedures to assure that Federal funds will be spent for the purposes for which Congress intends. Yet if we have no fiscal procedures we are charged with being careless of Federal funds.

We run into another problem when we attempt to establish bench marks to determine the allocation of funds to the States. If we use total school-age population, or if we use public school enrollment, there are those who cry discrimination. This involves us, one way or another, in the private school issue, which in turn involves us in religion. This is a question which has no place in our discussion of education, nor is it a proper subject for debate by the Congress.

Our basic problem has always been to devise distribution formula which would not be subject to misinterpretation and charges of discrimination. In the past we have used numbers of children as the yardstick because the committee has always felt children themselves were the best yardstick for measuring educational needs.

As one who has lived with this problem throughout my congressional career, I have come to the conclusion that what we are really trying to do is to use the broader Federal tax base to help State and local taxpayers finance the cost of improved education.

When we look at this proposition from this standpoint, we find that every citizen is a taxpayer, whether he sends his children to public or private schools.

In this frame of reference, Mr. Speaker, it has occurred to me that we should perhaps seek a new approach to achieve our goal: stimulation and encouragement of education.

One such approach has come to mind, and I offer it to my colleagues for discussion and consideration. It is my intention in January to incorporate the idea into legislation if, during the intervening months, reaction has been favorable.

This new approach is uncomplicated and quite simple. It provides the widest possible choice to the States, not only as to the purposes for which the money may be spent but also as to accounting procedures.

Since we intend to encourage and stimulate education in all of the States, and since there are pockets of need in every State, we would assist taxpayers in every State. We would authorize such appropriations as are necessary to allocate to each State an amount equivalent to 2 percent of total expenditures within that State for public elementary and secondary education.

In order to provide more assistance to States whose taxpayers have less financial ability to bear the burden of improved educational opportunities, we would authorize additional grants. This would be accomplished by determining the relative per capita income of each State. In those States below the national average, the allotment would be increased by the percentage the State falls below the national average. Thus, if per capita income in a specific State is below the national average by 10 percent, that State's basic allotment would be increased by 10 percent.

These Federal funds would be granted to the State educational agency and distributed to the local school districts through normal State channels, and by the State's normal equalization formula. The Federal support would be used by the local school districts for whatever specific purpose required at that level. Federal funds, when they reached the local level, would be unidentifiable, thus eliminating the possibility of any Federal interference. Moreover, since the Federal grant would be but a small percentage of the total expended, no State would have any hesitancy in speaking loudly and dominantly as the majority stockholder, so to speak.

I would have a built-in guarantee of continued State and local efforts. Naturally, under the formula, the more the taxpayers in a State spend for education, the more they receive in a Federal grant. I would, however, penalize them for reducing expenditures by reducing the Federal grant by a like amount. Thus, if a State were entitled to 15 million dollars, and its taxpayers decided to reduce their own expenditures by $10 million, the grant would be reduced to $5 million.

I would authorize the Commissioner of Education to accept the normal accounting procedures of each State, with the concurrence of the General Accounting Office. This would reduce the paperwork of the State agency to a minimum.

This new approach, it seems to me, has these virtues:

First. We—the Federal Government—aid taxpayers to support the type of education which all of us want and need.

Second. The burden of supporting education falls equally upon all taxpayers, whether they have children or do not; whether their children attend public or private schools. Therefore, it is nondiscriminatory.

Third. Since the financing of all education, public and private, comes from the earnings of the people, any Federal assistance to all local taxpayers is an indirect aid to those who support private schools.

Fourth. This proposal eliminates the need for complicated needs formulas, but provides more assistance to those taxpayers least able to support their local public school systems in the manner desired and needed. It does, however, provide the necessary encouragement and stimulation to the State and local taxpayers.

Fifth. Finally, we are assured that Federal money will supplement the money of the local taxpayers and not supplant it.

A Democratic Plan To Avert Unnecessary Strikes

EXTENSION OF REMARKS
OF
HON. KARL E. MUNDT
OF SOUTH DAKOTA
IN THE SENATE OF THE UNITED STATES
Wednesday, September 27, 1961

Mr. MUNDT. Mr. President, the State Labor News, an independent labor newspaper published in Columbus, Ohio, in its August issue carrys an interesting and persuasive editorial supporting passage of the secret strike vote legislation which I introduced on behalf of myself and Senators MCCLELLAN and CURTIS a month or so ago. Our bill is identified as S. 2134.

I am happy to call to the attention of the Congress and the country this editorial from a labor paper discussing the Democratic and commendable features of S. 2134 and ask unanimous consent that it be printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

DEMOCRATIC PLAN

On the front page of this issue of the State Labor News, we have featured Senator KARL E. MUNDT's bill for a secret ballot procedure for strike authorization.

The usual procedure, when contract negotiation time arrives, is for the labor union involved to give management a 30- or 60-day notice of its desire for contract changes.

Membership meetings are held and labor union officials acquaint their members with the new demands and changes that will be requested in a new contract.

Then labor union officials ask for authority from the members present to call a strike if management should balk in granting the union's demands.

Almost without fail, usually by a voice vote or raising of hands of the membership present (very often a small minority of the union's entire membership) union officials receive the authority to call a strike.

Senator MUNDT's bill would change this to a procedure under which all members of the union would have a voice in the decision, after they have become acquainted with management's final offer. They would be able to accept or reject this offer by a secret ballot vote.

Oftentimes, strikes can be an extreme hardship on union members. Senator MUNDT believes therefore that they should at least have a voice in the decision.

There should be no objections by either labor union officials or management to this procedure. Labor union officials would be relieved of the final responsibility of ac-

cepting or rejecting management's offer. The responsibility, either way, would be on the entire membership.

Management knows it would have to make a fair offer in any new contract if it desired to avoid a strike.

Senator MUNDT's bill is no cure all for all strikes but it would restrain and restrict some pugnacious and strike happy labor union officials from calling strikes on impulse.

The procedures called for in the bill are certainly worth a trial.

Unique Courses Being Offered by the American Institute of Engineering and Technology

EXTENSION OF REMARKS
OF
Hon. EVERETT McKINLEY DIRKSEN
OF ILLINOIS
IN THE SENATE OF THE UNITED STATES
Wednesday, September 27, 1961

Mr. DIRKSEN. Mr. President, I have received from Mr. H. H. Katz, president of the American Institute of Engineering and Technology, Chicago, Ill., an interesting letter and pamphlet dealing with the student's outline, Greek-American bicultural history, prepared by Mr. Leonidas Fardelos, chairman, Greek-American bilingual department.

The pamphlet notes that Prof. John G. Manos has joined the faculty. Mr. Manos was born in Chicago, received his early education there, and obtained his master of arts degree at the University of Athens, in Greece. He has been a very prominent member of the Greek-American newspapers throughout the country and he has received several decorations. Formerly, he was the supreme president of the Greek-American Progressive Association.

Because of the uniqueness of the courses being offered by the Greek-American Bi-Lingual Department of the American Institute of Engineering and Technology, I ask unanimous consent that Dr. Katz' letter and his preface from the bicultural history be inserted in the Appendix of the RECORD.

There being no objection, the letter and preface was ordered to be printed in the RECORD, as follows:

SEPTEMBER 11, 1961.

Hon. EVERETT M. DIRKSEN,
U.S. Senate,
Washington, D.C.

MY DEAR SENATOR DIRKSEN: AIET has initiated and developed a bilingual division, wherein high school or gymnasium graduates in foreign countries come to the United States and study in their native language—English being taught for 1 hour per day.

On September 18, the Greek department of our bilingual division will begin a 3-year educational program for 60 young Greek men. The enclosed booklet, outlines one of the first semester courses: Greek-American bicultural history.

To our knowledge, this is the first time this type of course has been taught in our country. If you can find time, in your busy schedule, to review the contents of this, I am sure you will realize the serious, almost critical necessity for its inclusion in our curriculum.

AIET is a private, profitmaking institute. We are conducting these foreign educational programs in several foreign languages, without domestic or foreign subsidy. Foreign students pay their own way, except for the private financial assistance which some receive from American relatives.

We hope that our work reflects some essence of the free enterprise system—even though we be an educational institute.

Sincerely yours,

AMERICAN INSTITUTE,
H. H. KATZ, *President.*

PREFACE

Sir Isaac Newton, the great English mathematician (who invented the calculus which we study at AIET), was greatly admired by many of his contemporaries. In answer to strong praise, he once said: "If I have seen farther than other men, it is because I have stood on the shoulders of giants." This statement, on several counts, always helps to bring my thoughts as an American to our Greek heritage. I am sure that Newton acknowledged an important part of the credit for his discoveries to Archimedes, Aristotle, Plato, and other famous Greek philosophers. Also, his genuine humility reflected the strong tenet of the ancient Grecian way of life: "Moderation in all things." This ideal of Greek life was not a hollow phrase to be used on special occasions; it found its way into the principles of Grecian government, arts, and philosophy. When a powerful Greek athlete boasted that he could stand longer on one foot than any other man in Hellas, he was driven from Sparta, because he prided himself for an accomplishment at which he could be beaten by a common goose.

The spiritual and material accomplishments of the United States has also been brought about because Americans have "stood on the shoulders of giants." One of the most formidable of these giants is Greece. In this first semester course on bicultural history, we shall study the roots and development of the American history, culture, and government. Special emphasis will be placed on the interrelationship of Greek-American ideals and objectives, and the influences of Greek culture on the "American way of life."

The American way of life is largely made possible by the American system of government. The heritage of free government that is realized by nations of the free world is, in a large part, fulfillment of the ambition of mankind from ancient and present times.

Many of the basic ideas that are the root of the American system of government originated in Greece many centuries ago. The ancient Greeks were the first people to try the difficult experiment of self-government. The city-state governments of the "demos" (the people) planted the important seed of modern democracy. At times, this seed lay dormant, crushed under the foot of tyrants; other times, its roots were only nourished with the blood of patriots. Nevertheless, attempts to completely destroy these roots failed, and the seed branched through the course of history, into many countries of Europe and later, to America.

The American way of life is comparatively young: for every year of our history, European and Asian countries can count centuries.

Since the United States started out as a colony of Great Britain and was settled predominantly by Englishmen, it is natural that English institutions and political ideas should influence the American governmental structure. Basic principles of American democracy, originated in Greece, were exercised and experimented with in England, and further developed by Englishmen who came to colonize the United States.

Early Americans had to establish some of their own rules of order and conduct. Many political ideas, customs, and government structures of the Old World could not fit into the New World. The many reasons which brought about these changes will be discussed in our bicultural history program.

Bank Holding Company Formed in New York

EXTENSION OF REMARKS
OF
HON. ROBERT R. BARRY
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Wednesday, September 27, 1961

Mr. BARRY. Mr. Speaker, recently I have received a letter from the Honorable Thomas S. Gates, former Secretary of Defense and now chairman of the executive committee of the Morgan Guaranty Trust Co. of New York, in which he advises that the New York State Banking Department has approved the application of the Morgan New York State corporation to become a bank holding company by acquiring the stock of seven banks in New York State. It is my hope and expectation that the results of this action will prove beneficial to both the economy and the people of New York State. At this point I would like to insert into the RECORD a statement by Oren Root, State superintendent of banks, which should be of interest to the Congress:

BANKING BOARD APPROVES HOLDING COMPANY APPLICATION OF MORGAN GUARANTY AND SIX UPSTATE BANKS

Oren Root, New York State superintendent of banks and chairman of the banking board, announced that the banking board, upon his recommendation, has approved the application of Morgan New York State Corp. to become a bank holding company by acquiring all the stock of Morgan Guaranty Trust Co. of New York and of six upstate banks: Manufacturers & Traders Trust Co. (Buffalo), Lincoln Rochester Trust Co. (Rochester), the National Commercial Bank & Trust Co. of Albany, First Trust & Deposit Co. (Syracuse), the Oneida National Bank & Trust Co. of central New York (Utica), and First-City National Bank of Binghamton, N.Y. It is expected that the three national banks will convert to State charter before their stock is acquired.

In his recommendations, accepted by the banking board, Mr. Root stated that he had "been influenced primarily by the conviction that the contemplated bank holding company will materially expand the opportunities for the economic growth of that part of the State of New York which lies outside of the city of New York and its suburbs, and will thus contribute to the accelerated economic expansion which is a cornerstone of both State and National policy."

The superintendent's recommendation further indicated that substantial benefits to the public and to the economy of upstate New York would result from formation of the holding company because of its expected contribution toward meeting the needs for increased bank lending resources upstate; because it can be expected to assist in the industrial development of upstate New York by attracting new and expanded industry; and because it will make available to these areas additional and improved banking services.

The board's decision, Mr. Root indicated, was also based upon its conclusions that creation of the bank holding company would not result in a lessening of competition among the affiliating banks, since they are not now competing witth each other to any significant extent; that the affiliation is unlikely to have any unsound or destructive competitive effects on other banks, small or large, upstate; that the size or extent of the holding company to be formed would not be beyond limits consistent with adequate or sound banking; that the asset concentration in the holding company would be within limits consistent with effective competition; and most importantly, that the public interest and the needs and convenience thereof, to which the banking law gives primary emphasis, will be served by approval of the application for the reasons indicated above.

The superintendent of banks noted that approval of the application would not be inconsistent with the preamble to the omnibus act which declares it to be the policy of New York State that "appropriate restrictions be imposed to prevent statewide control of banking by a few giant institutions." The new holding company will have 11 percent of the commercial banking assets throughout New York State and 8 percent of the State's commercial banking offices. If New York City is excluded, it would hold 16 percent of the commercial banking assets and 13 percent of commercial banking offices in the rest of the State. Including the Marine Midland Corp., the two statewide bank holding companies combined would have 16 percent of statewide commercial banking assets and 18 percent of statewide offices. In the areas outside New York City, the two holding companies would have 33 percent of commercial banking assets and 28 percent of offices.

Power Versus Popularity

EXTENSION OF REMARKS
OF
HON. JOHN J. RHODES
OF ARIZONA
IN THE HOUSE OF REPRESENTATIVES
Wednesday, September 27, 1961

Mr. RHODES of Arizona. Mr. Speaker, under leave to extend my remarks, I would like to include the editorial, "Power Versus Popularity," as written by John F. Loosbrock, the editor of Air Force-Space Digest, and as it appeared in that important publication. In view of the Berlin crisis and the need for our Nation to start exercising its power and position as leader of the free world, I would commend it to the attention of my colleagues and of the general public:

POWER VERSUS POPULARITY
(By John F. Loosbrock)

It is strange but true that the Berlin crisis and the Soviet resumption of nuclear testing may prove to be blessings in disguise.

As a result of these actions we may be, as some claim, closer to the brink of war than at any time since the Korean conflict. But the truth is that we have been standing at the brink of some years, with the edge of the precipice lost in the swirling fog of wishful thinking and obscured by the rose-colored glasses of negotiation and competitive coexistence. Now the callous cynicism and naked power politics revealed in recent Soviet actions surely must serve to blow away the fog and strip the blinders from the eyes of those who have sincerely believed that we could bargain usefully and honorably with the Soviets.

Surely it is now clear that the United States must exercise its power and position as leader of the free world and cease behaving as if it were a candidate for an office which history has long since thrust upon it. Surely it is now clear, even to the most woolly minded, that Khrushchev places a higher value on getting ahead, and remaining ahead, of the United States than he does on what Nehru, or Nasser, or Nkrumah thinks. Surely it must now be clear that power and the willingness to exercise it are the best propaganda tools in today's world and that it is difficult to sway the mind of a man who has a hobnailed boot on the back of his neck.

It is probably true that we scored a minor propaganda advantage in waiting out the Soviets on the resumption of nuclear tests. They did break the ban first, for whatever that may be worth. But it is certain that, over the whole span of the test-ban period, we lost much more than we gained.

The relative insignificance of our test-ban propaganda victory is indicated by the reactions of the so-called uncommitted nations meeting recently in Belgrade, Yugoslavia. If Khrushchev was really worried about what the neutrals thought, he would not have flexed his muscles just as they were convening. And if the neutrals were truly neutral they would have responded with more vigor than the pallid denunciation of the nuclear test resumptions that came from Nehru, and Nkrumah, and the rest. One can only imagine the roars of indignant anguish that would have poured forth from these uncommitted gentlemen had the United States been the first to break the test ban. They forget—or choose to ignore—the fact that it is only the wealth and the power of the United States that has thus far permitted them the luxury of remaining uncommitted.

The United States has yet to learn to be comfortable in the possession and exercise of its power. Even Franklin Roosevelt, who so well understood the uses of domestic political power, sold short on the international power market in his dealings with Stalin. And, since 1945, there have been few instances in which U.S. power was boldly and imaginatively used—possibly only one, the Marshall plan, which was bold in concept and execution. It was also essentially self-serving in purpose; the restoration of Western Europe was of prime importance to this Nation from a political and military as well as an economic standpoint. We reacted well in the Korean aggression, much to the surprise of the Soviets, then failed to press our advantage and wound up with an unsatisfactory stalemate which is still an ever-present source of trouble.

Elsewhere across the world and the years, our record is one of timid holding actions and eventual erosion of our position. We have wished to be loved, rather than respected. We have counted our victories in United Nations rollcall while the Soviets have counted theirs in terms of square miles conquered and millions enslaved.

The United States is still the richest and the most powerful nation the world has ever seen. Isn't it time that we used that wealth and that power to extend, rather than merely conserve, our social, political, and economic values? Do we believe in our system or don't we? Is it our aim to bury communism or isn't it? Do we really think a world can exist indefinitely half slave and half free? What are we aiming for? We had better decide and then go after it full bore, or else resign ourselves to an eroding attrition that will insure the waste of the tremendous total effort we have already poured into the defense of freedom.

Positive action to back up our recently muscular rhetoric may be costly in treasure, possibly in blood. It poses risks beyond those we have thus far found acceptable. We may lose some popularity, but it is dubious that we will lose any substantial support from our friends. And the stakes of the game are high enough to warrant great risks.

One thing is true. If our competitive system is not strong enough to bear the burden of the effort that is required—and that has yet to be mounted—in open competition with the Soviet system in every meaningful aspect of effort, then our system is not what it is cracked up to be, and those who say its decay is inevitable will be proven right. And we will wind up as the proverbial "richest man in the cemetery." The tombstone could bear his further tribute: "and best loved." Mr. K. would no doubt like that added touch.

The Need for Expanded Water Research

EXTENSION OF REMARKS
OF
HON. KARL E. MUNDT
OF SOUTH DAKOTA
IN THE SENATE OF THE UNITED STATES
Wednesday, September 27, 1961

Mr. MUNDT. Mr. President, I ask unanimous consent to insert in the Appendix of the RECORD a recent address of mine dealing with the important problem of expanding our water research and developing a more useful utilization of the water resources of this great country. It is entitled "The Need for Expanded Water Research."

There being no objection, the address was ordered to be printed in the RECORD, as follows:

STATEMENT BY MR. MUNDT

A great deal has been said recently on the need for expanded water research. However, much of what has been said has emphasized the need rather than the substance of future water resource activities. Changes in levels and patterns of living radically alter the particular types of demands that people make on their natural environment. It is clear that this alteration necessitates an informed and imaginative approach to resource allocation.

Too often water resource programs and policies do not adequately reflect social, economic, and technical changes. Our Nation is developing swiftly. It is difficult to evaluate change and more difficult to formulate policies elastic enough to allow for major readjustments.

In the past 60 years, our population has increased roughly 42 percent. By the year 2000, our population will have nearly doubled and, if the present trend continues, will live mostly in cities and suburban areas. Improved standards of living and education mean increased demands for better housing, health, and recreation facilities. In the future, water will have to be allocated wisely between farm, city, and industry. More and more concern will have to be given to the preservation of our Nation's outstanding resources and magnificent natural beauty.

Growth imposes difficult problems upon existent water supplies. A continuing increase in total demands upon the resource base necessitates a higher degree of efficiency in the utilization of water. Science and technology provide us with the key which will unlock the door to future programing in this field. Scientific and technological advance enable man to substitute more abundant materials and utilize synthetics where materials are not readily available.

Today the average acre yields more food, and this produce is of a higher quality than ever before. Engineering skill has enabled man to control great rivers, at once a potential threat and salvation to those who must depend upon their waters for existence and livelihood.

Last year the Senate Select Committee on National Water Resources reported the principal factors affecting future water needs in the United States. The factors were population and industrial, including agricultural, production. As these increase, our withdrawals and use of water will increase proportionately.

Per capita consumption of water is the largest single factor determining increased withdrawals from municipal water supplies. As the distribution of our population gravitates toward a growing urban society and technological advance creates greater individual domestic demands for water, per capita consumption climbs steadily. I do not think most of us are sufficiently aware of the tremendous proportions of our domestic requirements for an adequate supply of potable water. Our individual daily water requirements have grown from 40 gallons in 1900 to about 147 gallons today. Improved plumbing and living standards, as well as new household devices, such as air conditioners and automatic clothes- and dishwashers, swell per capita consumption figures.

We in South Dakota are becoming more and more keenly alert to the dangers of this situation because we are, simply, overexposed to them.

Every American is proud to see his Nation prosper; to recognize that his Nation provides him with the highest standard of living in the world. We in South Dakota are especially proud of the progress which has been made since the settlement of the Dakota territory which began in 1861. We are proud that our State has become one of the leading stock-producing and farming areas in the United States. In addition, the average production worker in a manufacturing industry in our State saw his weekly earnings increase 51.6 percent between 1950 and 1958. The Bureau of Labor Statistics reports that in these same years our electric output increased 10.5 percent and engineering construction awards 30.8 percent.

Yet these percentages carry with them new problems and responsibilities for the citizens of South Dakota. Between 1950 and 1960 South Dakota experienced a substantial growth in urban population. In 1950, 33.2 percent of the total population lived in urban communities, while in 1960 this percentage had increased to 39.3 percent of the total population. This urban development has raised per capita consumption and created new demands upon our municipal water supplies. Already a water-short State, South Dakota must now allocate more and more of its water supply to small towns.

The economy of South Dakota is built upon agriculture. Over 70 percent of all the water consumed in South Dakota is required for agricultural uses. Reoccurring droughts and subsequent runoff have detrimental and unpredictable effects on crops and livestock. Thus the economic stability of the State of South Dakota is inevitably bound to the success of its agricultural enterprises, and to the adequacy of its water supplies.

The principal factor influencing agriculture in the Northern Great Plains is irregular and generally deficient rainfall. In addition, the Department of Agriculture has estimated that two-thirds of the rainfall in the Great Plains States is lost by evaporation alone. Because precipitation is not uniformly distributed over the four seasons, often the amount received during the growing season is inadequate with respect to plant-growth potential. Consequently, gross supply received in any one location must be efficiently applied for man's varied purposes. Coordinated research in water allocation and technological development are essentially the only approaches to future programing in this area.

The outstanding water problem in South Dakota has always been one of source, and of the adequacy and availability of a water supply. Proceeding directly from this problem are the very important questions of competing uses. There must be enough water for all purposes. It is clear that in the future, water in South Dakota will have to be allocated primarily between irrigation and municipal uses.

Municipal usage will be closely allied with industrial development. In South Dakota most manufacturing industries employ less than 100 persons per establishment and are usually located in metropolitan or suburban areas. Consequently these industries obtain water supplies from municipal facilities and the availability of industrial water will be part of municipal water problems over the next 20 years. Larger industries which develop their own supplies will be guided by water supply in their plant locations.

In 1955, the Census of Manufacturers reported that average annual water use per manufacturing employee in South Dakota amounted to 470,000 gallons. When this figure is applied to a projected 1980 manufacturing employment figure, South Dakota's water needs for manufacturing will be about 7,200 million gallons by 1980. Moreover, expected industrial development in South Dakota is likely to occur in the processing of agricultural raw materials, wood, minerals, and associated metallurgical operations. These industries require larger amounts of water per employee than any other type of manufacturing enterprise. Such industrial development could very well increase per employee water requirements to roughly 600,000 gallons with an anticipated water usage in South Dakota of about 9,720 million gallons a year. To a great extent, municipal water supplies will have to bear the strain of this increase.

In a State in which an adequate water supply is necessary to the success of its agricultural enterprises and economic stability, this urban and industrial growth poses serious questions.

Presently, many towns in South Dakota are water short. The situation can only be improved through increased research. Last year the Senate Select Committee on National Water Resources reported that there were only three States in the United States where the cost of water from municipal systems is higher than in South Dakota where the cost per million gallons is $281. In order that this cost be reduced, South Dakota must find more water. Additional water supplies are absolutely essential to both urban and agricultural welfare.

The situation in many small towns is indeed serious, while those citizens of South Dakota engaged in agriculture deserve to reap more benefits from the land. At a minimum they must be assured adequate water for crops and livestock, and protection against the ruinous advent of frequent drought.

Our problems then, clearly necessitate expanded research in the allocation of water and in the development of technological skills which will enable man to make more efficient use of surface and ground water supplies. On the national average, 1 acre of irrigated cropland produces the equivalent of 3 acres of nonirrigated land. The Senate Select Committee on National Water Resources reports that current research in water-saving devices in the field of irrigation alone promise to lead within the next 20 to 40 years to water savings in the West of at least 10 million acre-feet of water annually. The committee concluded that the amount of physically feasible resource development remaining in the 17 reclamation States was enormous, and that potential projects for which data had been summarized in their report would about double the production from presently irrigated lands. Moreover, evaportation reduction, phreatophyte control, weather modification and saline conversion represent substantial new sources of water supply.

In the past, 80 percent of existing irrigation was developed by non-Federal interests, while Federal reclamation programs accounted for only 20 percent. These figures demonstrate the extent to which State and local interests have been effective and efficient in this regard.

Current problems will entail vigorous research if we in South Dakota are to find a solution to increasing demands upon our municipal and agricultural water supplies. General research will not suffice. What I am saying is that future development must be tailored to specific problem areas and that the time has come for the people of South Dakota to take cognizance of exactly what can be done.

The only major surface water supply with any degree of dependability and stability in South Dakota is the Missouri River. The drought of 1959 clearly demonstrated that other major streams and tributaries in the State are unreliable for any extended large-scale use. Because 80 percent of the ground water wells in South Dakota are of the shallow-well type, the yield from this source is extremely limited.

The population in South Dakota is highest along the eastern border in the Big Sioux and James River Basins and in the Black Hills area. Conversely, the Missouri River is the only reliable fresh water source and is located in the sparsely populated center of the State. During periods of drought, urban water problems are widespread and frequently critical. Potentially, impounded Missouri River water could be transported to the more populated areas and thus provide an additional surface water supply.

Last year the Senate Select Committee on National Water Resources reviewed the specific water situation within four general economic areas in South Dakota. The committee stated that in eastern areas, the purchase of "potholes" and importation of additional water were prerequisites. They concluded that the only adequate source for importation of needed additional water supplies was the Missouri River.

In considering the east-central area which offers the greatest increased potential in the State, the committee offered several suggestions. I wish to call to your attention the following excerpt from the Senate Select Committee on National Water Resources' report:

"Importation of water from the Missouri River will correct many water problems. This is proposed in the Missouri River development program for irrigation purposes. The many needs for water may be served as incidental purposes but no Federal program other than irrigation covers such alleviation of water shortage problems. * * * All uses of water in this area suffer serious shortages under present conditions. Economic stabilization and associated human values are utterly dependent upon new water supplies, the only known source of which is the Missouri River."[1]

Since the passage of the Flood Control Act in 1944 which authorized development of the Missouri River Basin, extensive research has been undertaken in order to determine

[1] Water Resources Activities in the United States, Views and Comments of the States, Report of the Select Committee on National Water Resources, U.S. Senate, 86th Cong., 2d sess., December 1960, p. 307.

the most practical and efficient solutions to water problems in this area. Federal, State, and local interests cooperate on many levels while the Missouri Basin Inter-Agency Committee was established to coordinate all related activities. Major investigations have been conducted by the Corps of Engineers, the Department of Agriculture, and the Bureau of Reclamation which outline the broad areas in which further research should be forthcoming. Reports issued subsequent to these investigations review the progress already made and direct attention to immediate needs and proposals.

In June of 1960, the Missouri-Oahe projects office in Huron, S. Dak., issued a report on the Oahe unit of the James division of the Missouri Basin project. The report provides a plan for diversion of water from the Oahe Reservoir on the Missouri River for irrigation of 482,000 acres of land in eastern South Dakota, municipal and industrial use in 22 towns and cities, fish and wildlife developments at 28 locations, and recreation uses. Construction of the Oahe Dam and Reservoir was begun in September of 1948 by the Corps of Engineers and is to be completed in 1965. The proposed Oahe pumping plant would divert water from this reservoir and distribute it through a system of canals, laterals, storage reservoirs, drains, and pumping plants. It is estimated that such a system would irrigate 482,000 acres of land in eastern South Dakota and create an adequate municipal and industrial water supply in this area.

I wish to call your attention to the following excerpt from the report of the Oahe unit:

"The plan of development of the Oahe unit would permit municipal and industrial water service to 22 communities and their associated commercial-industrial establishments. These communities are located in and adjacent to irrigable areas of the unit and along the irrigation works for the area and also along the James River below the Oahe unit.

"Many towns in this area have longstanding deficiencies in the quality or quantity of their water supplies. Ground-water resources are available for development in most of the area but the water usually contains excessive concentrations of dissolved solids. Sulfate, sodium, bicarbonate, and in some cases fluoride concentrations in the deep artesian ground-water sources make them qualitatively inferior to alternative surface water supplies. Water from the shallower aquifers generally contains excessive concentrations of iron and has excessive hardness. Surface water supplies in this area are generally of good quality regarding dissolved solids but may have objectionable tastes and odors and, in the absence of regulatory storage, are not reliable sources of supply for most municipalities. Importation of a relatively superior surface water supply from Oahe Reservoir on the Missouri River would, for the first time, make an adequate raw water supply of good quality available to many municipal-industrial water users in the area.

"Reconnaissance-type cost estimates based on July 1959 price levels, comparing annual costs for developing and using the Oahe unit water supply and similar costs for realistic alternative sources, are the basis for project formulation and show that the following 22 communities would enjoy definite financial advantage over any reasonable source of supply by using the Oahe unit water supply for municipal purposes: Aberdeen, Agar, Ashton, Blunt, Brentford, Claremont, Columbia, Conde, Faulkton, Frankfort, Hitchcock, Huron, Mellette, Menno, Miller, Mitchell, Northville, Onida, St. Lawrence, Scotland, Stratford, and Tulare.

"Delivery of water from the project works would be made 'at canalside' at a cost per acre-foot based on payment of an appropriate share of the ultimate annual O.M. & R. costs for jointly used works and repayment in 50 years of allocated costs with interest on the unpaid balance. Municipal and industrial water users will be required to provide all works needed at and beyond the canalside delivery point. Any community in the area desiring a water supply, even though not on the list of 22 communities, can obtain water on this basis.

"The 22 listed communities had a combined population of about 55,100 in 1950. With development of the Oahe unit, these communities are expected to have a total population of 145,400 or more by the year 2044. Water requirements for the group, including industrial uses normally supplied by municipal systems, are estimated at 32,475 acre-feet by year 2044 at the points of diversion from Oahe unit water-supply sources. An additional 3,855 acre-feet may be supplied direct to agricultural-products processing plants, making a total for the group of about 36,330 acre-feet annually at the points of diversion." [2]

In view of the nature of water problems currently facing the citizens of South Dakota, serious consideration must be given to this proposal and additional research undertaken in order to better determine allied benefits.

Any multipurpose development program requires comprehensive investigation, but there is no good reason why appropriate steps cannot be taken immediately. With about 72 percent of the water resources occurring in the northern one-third of the State, and 75 percent of the annual demand in the southern two-thirds, the State of California experiences many of the same problems that confront us in South Dakota. The result of 10 years of investigation, the California Water Plan offers a valuable example of the type of program which can be initiated to assure adequate water for irrigation and smalltown usage.

On January 15, 1959, a working group appointed by the Secretary of Agriculture published an evaluation of research needs for soil and water conservation. Their report emphasized the benefits of multipurpose development, and proposed expansion and establishment of regional and national research centers. The following is an excerpt from the report entitled "Facility Needs, Soil and Water Conservation Research":

"These centers should provide the type of highly specialized or expensive physical facilities that exceed the financial capabilities of existing individual research units. In order to achieve the maximum benefits from such centers, they should be financed and administered to assure their availability to research workers from other laboratories; and, they should serve as focal points for coordinating research on the specific problems for which they are established. To effectuate the desired coordination, consideration should be given to locating these centers at or near an institution of higher learning at which research on appropriate subjects is already underway. This would permit interested graduate students of the institution to become acquainted with work underway at the center and to gain valuable experience in the subjects under investigation. Highly trained scientists are the first requirements in any research program. In all cases a sound system of maintaining collaboration and coordination between research at the center and related research at other State and Federal locations should be established.

"It is essential that a proper balance be established and maintained at the centers between the development of basic principles for guiding future research work and finding solutions to the immediate parts of the overall problem currently faced by landowners and technicians. This is necessary in order to protect the Nation's resources and to obtain the greatest benefit from public expenditures for the protection of those resources." [3]

Specifically, the report recommended that major attention should go to improving the design and performance of closed conduit spillways and other conservation structures. To facilitate this recommendation, a Research Center for Engineering Design of Conservation Structures should be established. Moreover, the working group was apprised of the obvious deficiency in physical facilities available by the Agricultural Research Service and the four State agricultural experiment stations for meeting the soil and water conservation problems urgent in this area. Western South Dakota was mentioned as a possible location for a new center for research in this region. Also outstanding was the mention of needed facilities for the research center in Brookings, S. Dak., which studies plant nutrition, soil physics, and irrigation engineering.

These recommendations of the Department of Agriculture support the preliminary studies by the Bureau of Reclamation concerning an improved municipal and irrigation water supply for eastern and central South Dakota. Studies conducted at South Dakota State College on private pumping systems concur in their findings.

It is clear that, to be effective, multipurpose water development must reflect research in specific areas. Cooperation on Federal, State, and local levels is a prerequisite, but equal regard must be accorded to the work of interested private and educational groups.

The urgency of these water problems cannot be overemphasized. In order to meet present needs in this field, Congress has an obligation to review current proposals. I urge that serious thought be given to the feasibility and appropriateness of the programs which I have outlined. I caution my colleagues that these situations will become aggravated in time, and yet I shall always emphasize proper budgetary considerations in this regard. Indeed, Congress is already faced with myriad obligations. Nevertheless, in the past, coordinated research has illustrated its economic soundness upon many occasions. Through research, much can be accomplished at a very small cost. Research, opposed to the cost of construction of facilities or a reservoir, is only a small part of the total bill. When investigation has proven programs to be both fruitful and sound, Congress should take immediate steps to authorize projects that will meet urgent needs.

Population expansion necessitates that we develop the supply and distribution of our water resources. Urban growth will require that sites of unusual natural beauty or unique recreational and scenic value be developed for the enjoyment of the public. There is much to be done toward the conservation of good water, and the conversion of water of presently inadequate quality. Appropriate measures can assure enough water for both municipal and agricultural needs. Technological advance indicates that soon it will be economically feasible for man to modify weather conditions and to put salt and brackish water into use, thus expanding our existent water resources.

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[2] Report on Oahe unit, James Division—South Dakota, Missouri River Basin project, U.S. Department of the Interior, Bureau of Reclamation, Region 6, Missouri-Oahe Projects Office, Huron, S. Dak., June 1960, pp. 26–28.

[3] Facility Needs, Soil and Water Conservation Research, a report of findings by the working group appointed by the Secretary of Agriculture, U.S. Department of Agriculture, Jan. 15, 1959, p. 234.

At present, Congress has many commitments. Yet our outstanding commitment is to strengthen and perpetuate our democratic way of life. We must provide for future generations, insure that waste and rash judgments do not endanger the welfare of our successors. We must recognize that wise actions on our part are the best possible guarantee of this.

I therefore urge that Congress take prompt steps to appropriate funds to implement and promote research in water resources activities which we have already authorized. The specific problems of South Dakota, whose water needs are growing so rapidly, must be carefully considered and I trust that the Congress will enact whatever further legislation may be necessary to meet them. Such action is clearly in the national interest.

Ranking Minority Member Surveys Activities of Judiciary Committee, 87th Congress, 1st Session

EXTENSION OF REMARKS
OF
HON. WILLIAM M. McCULLOCH
OF OHIO
IN THE HOUSE OF REPRESENTATIVES
Wednesday, September 27, 1961

Mr. McCULLOCH. Mr. Speaker, the House of Representatives can be justly proud of the record of the Committee on the Judiciary during the 1st session of the 87th Congress. The chairman, the Honorable EMANUEL CELLER, of New York, and the other members of the committee are to be congratulated for an outstanding record of legislative accomplishments. As the ranking minority member of the committee I commend both the excellent leadership and cooperation of Chairman CELLER in making this record of accomplishments possible. I also point with pride to the real degree of nonpartisanship with which the legislative tasks before the committee were approached.

As I shall indicate, much of the legislation, which has now passed both Houses of Congress and has been approved by the President, originated with the Eisenhower administration.

FEDERAL JUDGESHIPS

The first major legislation reported by the committee was S. 912—Public Law 87–36—a bill to create additional Federal circuit and district judgeships. At the beginning of the session, as the ranking minority member, I introduced several bills in order to carry forward the unfinished work of the Judiciary Committee from the 86th Congress. One of these was H.R. 469, a bill to create 35 additional Federal judgeships—3 circuit and 32 district judges. This was identical with H.R. 12552, 86th Congress, which the Judiciary Committee reported on June 15, 1960, and the Rules Committee reported a rule on June 25, 1960. Even though President Eisenhower indicated judicial appointments under the bill would be on an approximate 50-percent Republican, 50-percent Democratic basis, the Democratic leadership did not bring H.R. 12552 up for consideration.

The bill reported and passed with some modification in the 87th Congress, S. 912, provided for the appointment of 73 Federal judges—10 circuit and 63 district. Together with existing vacancies, S. 912 will permit the President to appoint more new judges than any President appointed during any 4-year term of office. When all the appointments have been made the existing judgepower of the Federal courts will be increased by more than 30 percent.

Although many of my colleagues and I considered S. 912 created more judgeships than were warranted by the facts, we supported the bill on the floor of the House in order to provide additional judges in those districts in which additional judgepower was critically needed. At the same time we made a strong appeal to President Kennedy to continue the precedent President Eisenhower indicated he would establish by appointing the new judges on an approximately 50-percent Republican, 50-percent Democratic basis. In our opinion this is the only method by which the appointment of Federal judges can be removed from the consideration of partisan politics.

By the end of the 1st session of the 87th Congress, President Kennedy submitted nominations for 54—10 circuit and 44 district—of the 73 judgeships created by S. 912. Of this number, 37—6 circuit and 31 district—have been confirmed. The President also submitted nominations for 20—5 circuit and 15 district—of the 31 existing vacancies, which have all been confirmed by the Senate.

ANTICRIME LEGISLATION

Another important group of bills approved by the committee relate to anticrime measures designed to suppress criminal racketeering and syndicated criminal activity. Most of these bills originated during the Eisenhower administration and had the strong support of former Attorney General Rogers. Attorney General Kennedy adopted and approved the program of Attorney General Rogers and recommended in addition a separate bill prohibiting travel or transportation in interstate commerce in aid of racketeering enterprise.

Our colleague on the committee, Mr. CRAMER, during the 86th Congress introduced all of the bills recommended by Attorney General Rogers and reintroduced them with modifications during the 1st session of the 87th Congress. The chairman, Mr. CELLER, introduced several of the bills recommended by Attorney General Kennedy, while I reintroduced H.R. 468—Public Law 87–368—to amend the Fugitive Felon Act.

When considered as a whole, these bills constitute a well defined program to assist State and local officials with law enforcement problems which transcend the boundaries of the particular States. Considered separately, S. 1653—Public Law 86–228—prohibits travel or transportation in interstate commerce for the purpose of furthering certain illegal business enterprises involving gambling, liquor, narcotics, or prostitution. S. 1653 requires both a specific intent on the part of the violator plus the commission of an overt act in furtherance of the offense. In addition to the business enterprise offenses listed, S. 1653 also prohibits travel or transportation in interstate commerce in connection with bribery and extortion.

From this description it is evident S. 1653 has very wide application to the business enterprise offenses which are conducted by individuals who operate beyond the boundaries of any one State. If these persons would confine themselves and the operation of their illegal enterprises to within the boundaries of a single State, the assistance of the Federal Government would not be necessary. However, in many instances the real kingpin never enters the State in which the activities are conducted. This bill will be of immeasurable assistance since it makes travel or transportation in interstate commerce in furtherance of these crimes a Federal offense. Thus, if a henchman is sent into a particular State or if money or other materials are transported in furtherance of the offense, the Federal Government will be able to intervene both in the investigation and the prosecution of the offense.

S. 1656—Public Law 87–216—prohibits the transmission in interstate commerce of information relating to bets and wagers by wire communications, that is, telephone and telegraph. In addition, it permits the communication company to discontinue the facility of anyone who is violating Federal, State, or local law. This bill will be of great assistance to State officials in combatting bookie and other gambling operations which are conducted on a multistate basis.

S. 1657—Public Law 87–218—makes it an offense to transport in interstate commerce wagering paraphernalia, that is paraphernalia used in bookmaking, numbers, and similar games. It will also be of great assistance to local law enforcement officials in obtaining the assistance of the Federal Government in combatting enterprises which transcend the boundaries of a particular State.

H.R. 468—Public Law 87–368—which I introduced, was identical with my bill H.R. 11897 which passed the House in the 86th Congress. As H.R. 468 passed amended this year, it amends the Fugitive Felon Act by making it an offense to flee across a State line to avoid prosecution for, or give testimony on, any State offense which is defined as a felony by the laws of the State, or, in the case of New Jersey, a high misdemeanor. H.R. 468 will be of great assistance to State officials. It will permit the FBI to apprehend and arrest fugitives who have fled beyond the boundaries of the State in which the original offense was committed. This bill was originally recommended by Attorney General Rogers and later by Attorney General Kennedy.

In addition, H.R. 1777—Public Law 87–37—although not a part of the Attorney General's crime program, will make illegal the transporting in interstate commerce or the concealing, storing, or selling of fraudulent State tax stamps or other obligations of a State which have been transported in interstate commerce. H.R. 1777 is designed

to assist the States in stopping operations in which the obligations of the State are forged. A good example is cigarette tax stamps. In one instance Ohio suffered a loss of a million and a half dollars because of forged cigarette tax stamps.

The committee also reported S. 1990—Public Law 87–306—to afford protection to private communications facilities used in connection with military or civil defense functions of the Federal Government. This bill strengthens the criminal law against willful or malicious interference with, or the destruction of any communication facility used or intended to be used for the military or civil defense functions of the United States.

H.R. 6834—Public Law 87–338—by Mr. CELLER, makes the imparting or conveying of false bombing information a Federal offense. In the event such information is maliciously conveyed, or conveyed with a reckless disregard for human life, the offense is a felony; otherwise it is a misdemeanor.

In addition to bills defining criminal offenses, the committee reported H.R. 5343—Public Law 87–336—by Mr. CELLER, a bill to amend the Federal Youth Corrections Act. Before the enactment of H.R. 5343, a minor after serving a sentence could have the fact of his conviction eliminated from his record. However, a youth who was merely placed on probation could not have the charge eliminated from his record. H.R. 5343 will do away with this anamolous situation by permitting youthful offenders who are placed on probation also to have the charge erased after the probationary period. H.R. 5343 will thus serve a very useful purpose in facilitating the rehabilitation of youthful offenders who otherwise would carry through life the stigma of having a criminal record.

TAX STUDY

H.R. 4363—Public Law 87–17—by Mr. WILLIS amends S. 2524—Public Law 86–272—a bill reported by the committee in the 86th Congress, in order to broaden the tax study authorized by the earlier law. After the decision of the Supreme Court in the Northwestern Cement case, the committee reported S. 2524 in order to establish minimum standards for the State taxation of income derived from interstate commerce. S. 2524 also authorized a limited study of the problem of State taxation of income derived from interstate commerce. Many members of the committee, however, felt that the base for the tax study should be broadened in order to permit a comprehensive study of all phases of State taxation of revenue derived from interstate commerce. Accordingly, the committee reported H.R. 4363 and established a special subcommittee to study the entire problem. It is anticipated that as the result of this study Congress will be able to define precise standards for that State taxation which will not constitute a burden on interstate commerce and will be able to devise fair apportionment formulas for those instances in which the State taxation of those funds is appropriate. This study will be of vital importance to the States as well as to the Federal Government.

FOREIGN AGENTS REGISTRATION AND EXTENSION OF LAWS RELATING TO ESPIONAGE

Another bill which I introduced at the beginning of the session was H.R. 470—Public Law 87–366—a bill to amend the Foreign Agents Registration Act in order to require the registration of domestic organizations which are substantially controlled, directed, or financed by a foreign government. This provides a much needed step in protecting the security of the United States by closing a loophole formerly available to those foreign governments which conduct their operations on an indirect basis by using domestic organizations as their agents. The bill in addition clarifies the so-called commercial exemptions of the Foreign Agents Registration Act by providing that a foreign principal, in order for its agents to be exempt, must be engaged in activities which are either private and nonpolitical and financial or private and nonpolitical and mercantile.

In addition, Mr. POFF introduced H.R. 2730—Public Law 87–369—to further protect the security of the United States by extending the application of the espionage laws to acts of espionage against the United States which occur in foreign countries. Prior to the enactment of H.R. 2730 the espionage laws were limited to acts committed either in the United States, on the high seas, or within the admiralty and maritime jurisdiction of the United States. This limitation had prevented prosecution in those cases in which the offenses against the United States occurred within a foreign country. Now the United States will be able to prosecute for acts of espionage whether committed abroad or at home.

CONFLICT OF INTEREST

For some time there has been a great need to adopt a new approach to conflict of interest in Government employment. At the beginning of the year the chairman, Mr. CELLER, and I introduced identical bills, H.R. 3411 and H.R. 3412, in order to carry forward the work of the Judiciary Committee in this field from the 86th Congress. Mr. LINDSAY introduced a bill containing the recommendations of the New York City Bar Association.

Extensive hearings were held on these measures and a clean bill by Mr. CELLER, H.R. 8140, embodying the recommendations of Mr. CELLER, myself, and Mr. LINDSAY passed the House on August 7, 1961. The bill has already become known as the Celler-McCulloch-Lindsay bill and when acted upon by the Senate will be landmark legislation.

PROFESSIONAL SPORTS

The committee reported a clean bill by Mr. CELLER, H.R. 9096—Public Law 87–331—to grant a limited exemption from the antitrust laws to professional sports leagues in order to permit the leagues to enter into package television contracts with the broadcasting networks. Mr. WALTER, Mr. MEADER, and I were primarily responsible for the amendment which protects college football on Friday nights and all day Saturday during the period beginning the second Friday in September and ending the second Saturday in December. Without doing violence to antitrust principles as ordinarily applied to business organizations, this bill will permit professional leagues to enter into package contracts for the televising of football, basketball, baseball, hockey, and other professional games.

ALIEN ORPHANS, JUDICIAL REVIEW OF DEPORTATION ORDERS AND ADMITTANCE OF 2D AND 3D PREFERENCE ALIENS

The committee substantially amended S. 2237—Public Law 87–301—in order to permit not only the continuation of temporary orphan adoption programs but also to provide a uniform judicial review of orders of deportation and permit the admittance into the United States of all aliens who have had a petition for a second or third preference status filed prior to July 1, 1961. This last provision, section 25(a) of the act, will benefit over 18,000 persons, mostly the parents or the unmarried sons and daughters of U.S. citizens or immigrants already lawfully admitted for permanent residence. The provision for judicial review of deportation orders is designed to eliminate the practice whereby undesirable aliens abuse our courts by bringing repetitious and dilatory proceedings, usually petitions for writs of habeas corpus, in order to delay their deportation from the United States. On many occasions these undesirable aliens have been successful in delaying their deportation up to 10 years.

DELAWARE RIVER BASIN

House Joint Resolution 225—Public Law 87–328—by Mr. WALTER, gives congressional consent to the States of Pennsylvania, New York, New Jersey, and Delaware to enter into a compact for the development of the Delaware River Basin. This compact will mark a major step in permitting these States to cooperate and work together in controlling problems, such as flood control, which transcend the boundaries of the individual States.

OTHER MAJOR LAWS

In addition the Judiciary Committee reported other bills of major interest, including H.R. 5656—Public Law 87–225—to provide for a reasonable, instead of a 5-day notice, before making application to the U.S. court of appeals for interlocutory relief from the orders of certain administrative agencies; H.R. 8490—Public Law 87–324—extending the life of the Commission and Advisory Committee on International Rules of Judicial Procedure; and H.R. 2883—Public Law 87–258—to provide for the defense of suits against Federal employees arising out of their operation of motor vehicles in the scope of their employment. H.R. 1961 by Mr. POFF, to amend the Bankruptcy Act with respect to statutory liens and the powers of the trustees passed the House on August 8, 1961, while H.R. 1960, also by Mr. POFF, a bill to make it possible to bring actions against Government officials and agencies in the U.S. district courts outside the District of Columbia, passed the House on July 10, 1961.

Mr. CELLER has prepared a comprehensive summary of the activities of the committee which has been printed in the Appendix to the CONGRESSIONAL RECORD. Reference should be made to the remarks of the chairman in order to obtain a full explanation of the work of the committee including the major bills and investigations which are still pending, since in these remarks I am obviously only attempting to cover the high points.

LEGISLATION REMAINING UNDER CONSIDERATION

There are several bills of a criminal nature on which activity may be anticipated during the next session of Congress. One of these is a bill to make obstructing investigations or inquiries conducted by the Federal Government a criminal offense. S. 1665, recommended by Attorney General Kennedy, to make the obstruction of investigations conducted by the FBI or the Treasury Department a Federal offense passed the Senate on July 28, 1961, but it was adversely reported by the Judiciary Committee of the House. Many Members considered that additional safeguards should be written into any bill of this nature. It can be anticipated there will be renewed activity in this field during the next session.

Likewise, wiretap legislation may be considered during the next session. S. 1086, to permit wiretapping under certain conditions, has received consideration by the Constitutional Rights Subcommittee of the Senate but there was no consideration of wiretapping as separate legislation by the House Committee.

There was no consideration of civil rights legislation during the past session of Congress other than a bill to extend the life of the Civil Rights Commission. Bills have been introduced which contain the provisions of the platforms of both parties and it can be anticipated that after the administration has obtained consideration of less controversial measures, pressure will be renewed for civil rights legislation.

There are several measures pending in the antitrust field, which include: a proposal to require companies to give prior notification to the Attorney General or to the Federal Trade Commission before consummating a merger; a proposal to give the Department of Justice and the Federal Trade Commission civil investigative authority—subpena power—in antitrust matters; a proposal to amend the Robinson-Patman Act to require mandatory functional discounts; and a proposal to prohibit the manufacturers of automobiles from financing the sale of their products. Extensive hearings have been held on all of these bills. A civil investigative demand bill, S. 167, passed the Senate on September 21, 1961.

Extensive hearings were also held on bills to increase the membership of the House. This controversial measure failed to receive the approval of the Judiciary Committee. There is speculation that some effort may be made during the next session of Congress to bring to the floor of the House for consideration a bill providing for a limited increase in the membership in the House.

Congressman John D. Dingell Reports to the People of the 15th District of Michigan

SPEECH
OF
HON. JOHN D. DINGELL
OF MICHIGAN
IN THE HOUSE OF REPRESENTATIVES
Friday, September 22, 1961

Mr. DINGELL. Mr. Speaker, I would like to present my sixth annual report to the people of my district on my stewardship in the Congress. I have filed such a report with my constituents at the end of each session of Congress during which I have been privileged to represent them and their interests.

During this session, I again served on the Committee on Interstate and Foreign Commerce and the Committee on Merchant Marine and Fisheries. I have achieved significant seniority on both of these committees, and now have the honor of serving as chairman of the Subcommittee on Oceanography of the latter committee. The subcommittee is responsible for scientific research and study of the oceans of the world.

I have appeared before appropriate committees testifying in favor of legislation to liberalize social security, and have devoted a great deal of energy to study and sponsorship of new concepts of this system to offer more and better protection to our people. The program for medical care for the aged within the social security system, on which the Congress is expected to act next year, for example, and the reduction of the retirement age with full benefits, are both examples of legislation in this field which I have sponsored since I first came to Congress 6 years ago.

I was one of the leaders in securing authorization of funds for an investigation of the securities market by the Securities and Exchange Commission to determine whether the small investor is being adequately protected by existing law.

My vigorous support has been given to legislation protecting our consumers, not only from price gouging in natural gas and other commodities, but also from dangerous, adulterated, filthy and contaminated foods, drugs, and cosmetics.

I have supported school construction legislation, and have sponsored and supported tax measures closing loopholes and reducing the income tax of those in the lower brackets by raising the individual exemption.

I maintain two offices to serve my constituents, one in Washington, D.C., and one in Detroit at 7310 Grand River Avenue, where I will again be available, this fall, to meet with my constituents on their problems.

I. LEGISLATION INTRODUCED BY THE HONORABLE JOHN D. DINGELL WHICH HAS BECOME LAW DURING THE PAST YEAR

Mr. Speaker, I have had the satisfaction of seeing several bills which I introduced passed by both Houses of Congress and signed into law by the President. They are:

H.R. 4038: The Blatnik-Smith-Dingell Water Pollution Control Act of 1961. The act provides new and stricter Federal sanctions against the polluters of our Nation's water supply, and increases Federal grants to States and municipalities for pollution abatement works. The bill was endorsed by all conservation, municipal, and public health groups, and will result in a real cleanup of our polluted waters.

H.R. 3874: The provisions of this bill were enacted as one of the Social Security Amendments of 1961. It provides for reduction of the retirement age for men under the Social Security Act from 65 to 62.

Other pieces of legislation, of which I was one of several sponsors, and for which I have worked for a number of years, were enacted into law this session. Among these were the bills which raised the minimum monthly primary benefits under social security from $33 to $40, increased widow's benefits, and included children of the unemployed under the aid to dependent children program.

I was also a cosponsor of the Temporary Unemployment Compensation Act, and the Area Redevelopment Act, and had the immense pleasure of seeing my 6-year fight for a minimum wage of $1.25 an hour brought to a successful conclusion with passage of legislation similar to my bill H.R. 2412.

II. OTHER LEGISLATION INTRODUCED BY THE HONORABLE JOHN D. DINGELL DURING THE 87TH CONGRESS, 1ST SESSION

I introduced many other measures during this past session, Mr. Speaker, on which no action has as yet been taken. However, my constituents may be sure that I shall continue to press for the passage of such measures as these:

UNEMPLOYMENT COMPENSATION

H.R. 4084: Would establish Federal standards for unemployment compensation to guarantee benefits equal to not less than 50 percent of the worker's weekly wage, but not more than two-thirds of the average wage prevailing in the State, for a minimum of 39 weeks. This bill would have provided the average Michigan worker during the recent recession with an additional $19 weekly in benefits for the period for which unemployment compensation may now be paid, and also would have provided $49 per week for an additional 13 weeks. These two provisions, taken together, would have pumped a badly needed $1.3 billion of additional purchasing power into the American economy.

H.R. 6715: Under this measure, the Veterans' Administrator and the Federal Housing Administrator would establish funds in areas of substantial labor surplus which would be self-liquidating, and would be used to protect owners of homes subject to VA and FHA insured mortgages from default for 1 year while unemployed, and for 30 days after reemployment.

CIVIL RIGHTS

H.R. 2413. A bill to make it an unfair labor practice to discriminate in hiring

unjustly on account of age. This would help solve one of the gravest unemployment problems of those of middle age or older.

H.R. 101. This bill, the first civil rights legislation to be introduced in this Congress, is an omnibus bill to outlaw discrimination in voting, housing, transportation, and employment, and to create a Federal Fair Employment Practices Commission with strong authority to outlaw discrimination in employment.

H.R. 102. A bill to authorize the Attorney General of the United States to file civil actions for injunction on behalf of citizens whose civil rights are threatened or interfered with.

H.R. 103. A strong antilynching bill to prohibit and punish such violence when inspired by the race, creed, or color of the victim.

H.R. 104. A bill to establish a meaningful Federal Fair Employment Practices Commission with real authority to halt discrimination in employment because of race, creed, color, or national origin.

House Joint Resolution 3. A constitutional amendment establising uniform national suffrage by eliminating all restrictions on voting except for age and reasonable length-of-residence requirements. This provision was recommended by the Civil Rights Commission in its recent report on voting.

NATIONAL CONTRIBUTORY HEALTH INSURANCE

H.R. 4413 would establish a national program of contributory health insurance, and thus make adequate medical care available to all, on a prepaid basis. Under this program, the patient may choose his own doctor, and the doctor cannot be forced to take any patient he does not want.

SOCIAL SECURITY

H.R. 4602: A bill to liberalize the definition of permanent and total disability under the Social Security Act to permit those who are so disabled as to be incapable of continuing work in their regular employment to retire without waiting for age 62. This will permit many now denied benefits under the unduly harsh disability provisions of social security to secure desperately needed help.

H.R. 5401 would reduce the retirement age for men to age 60 and for women to 55, and eliminate reduction of benefits on account of early retirement.

H.R. 5891 would continue payment of survivor and other benefits to children attending school up to age 21, rather than the present age of 18.

H.R. 4309: The administration's proposed Retired Persons' Medical Insurance Act, providing for hospitalization, skilled nursing, outpatient and nursing home care for persons receiving retirement benefits. I was one of the first sponsors of this measure, and I am happy to report that hearings have already been held and further action is scheduled for next year.

TAXATION

H.R. 2409 and 2410: These bills would raise the individual exemption to $700 and $800, respectively. For a family of four in the lowest taxable income bracket, this would mean an additional $80 or $160 of purchasing power per year.

H.R. 2408 would eliminate the 10 percent Federal excise tax on automobiles to help provide jobs for our automobile workers.

LEGISLATIVE RECORD OF THE 87TH CONGRESS, 1ST SESSION

By means of the closest of cooperation, Mr. Speaker, a Democratic 87th Congress, and a Democratic President, John F. Kennedy, have made an extraordinary record of creative action in the last 9 months.

A primary objective of the Democratic program was reorganization of the House Rules Committee, to make it more responsive to the wishes of the House and to make it more difficult for the forces of reaction to utilize that body as an obstructive instrument. This reorganization, of which I was one of the first and most determined advocates, was speedily accomplished, and liberal measures, among the first of which were those for the relief of the unemployed and hungry, followed quickly.

ANTIRECESSION ACTION

Both the President and Congress acted quickly to end the recession of 1960–61. By Executive order, the President doubled the amount of surplus foods going to each needy family and began utilization of the food stamp legislation, which I sponsored last session and which the previous administration had ignored, in a number of cities including Detroit. Early distribution was made of tax refunds and veterans' insurance dividends to bolster purchasing power.

The Congress quickly enacted extended unemployment compensation coverage, on a temporary basis, for 600,000 unemployed workers. It also passed legislation to provide the benefits of the aid to dependent children program to children of the unemployed, providing over $200,000 over a 14-month period to 750,000 needy children and 250,000 needy adults. Both of these measures helped break the back of the recession, but to its everlasting discredit, the Michigan Legislature has denied the children of our unemployed $20 million by refusing to enact legislation to carry out provisions of this act.

To provide assistance to areas of high, persistent unemployment, like Detroit, the Congress enacted the Area Redevelopment Act, of which I was one of the first sponsors. This act makes funds available for redevelopment planning, industrial and commercial development projects, public facility construction, and subsistence payments to workers engaged in approved training and retraining programs.

The Congress enacted milestone amendments to the Social Security Act including among other things reduction in the retirement age to 62, of which I was a sponsor. This bill raised the minimum primary benefits from $33 per month to $40 per month and gave new coverage to 160,000 persons previously excluded because of lack of necessary quarters of coverage.

LEGISLATION TO INITIATE NEW SOCIAL PROGRESS

The Housing Act of 1961 made public housing available to 100,000 more low-income families, aided cities in preservation of open spaces and establishment of public parks, and liberalized FHA mortgages by reducing downpayments and extending the duration of the amortization period.

This session of Congress saw the first major expansion of coverage of the Fair Labor Standards Act since the original act was passed in 1938. The new law covers 3.6 million workers previously unprotected, provides pay raises for 1.9 million others, and raises the minimum wage to $1.25 per hour by two steps. Few of our workers in Michigan will be benefited directly. However, this may stop the movement of industry from our State to lower wage areas.

Strong water pollution control legislation was enacted, and the establishment of a whole series of national parks has been provided for by appropriation of funds for purchase of land.

NATIONAL DEFENSE

Because of the new threats to world peace manufactured by the Soviet Union, the Congress unanimously provided the administration-requested $6 billion for increased missile programs—including a doubling of the Polaris program—increased bomber alerts, and new weapons and increased personnel for the Army, Navy, and Air Force. The Congress also doubled, at President Kennedy's request, the funds for America's program of space exploration.

For the first time, adequate civil defense was provided for, with a $207 million fallout shelter program and a reorganization of the administration of the program.

Congress also took a new and important step in national defense by enacting the administration's plan for a Disarmament Agency. This new Agency will be responsible for providing the research and the tools necessary for the writing of new U.S. policies to achieve effective and bilateral disarmament with safeguards and for new methods to seize initiative in this area from the Communists.

FOREIGN POLICY

The vigor of the Kennedy administration, and its close cooperation with the Congress, was manifested many times over in the field of foreign relations. The Peace Corps was established to give young Americans a chance to make a personal contribution toward building good will for America and to give substantial aid to new nations lacking in essential skills.

The new alliance-for-progress program will make available $600 million to help our Latin American neighbors help themselves.

The food-for-peace program, expanded and revitalized by Congress at the President's request, has been enthusiastically received as an outstanding way to reduce world tension and aid the world's hungry by utilization of surplus American foods.

The Congress has also recently appropriated almost $4.2 billion for other types

of foreign aid under a new approach, which for the first time will emphasize self-help and loans rather than outright grants.

CONSUMER PROTECTION

The Federal regulatory agencies have undergone extensive administrative reorganization for greater efficiency. Consumer-oriented appointees have given new direction to their respective programs and will insure better protection for the American consumer and homemaker.

The Food and Drug Administration received appropriations for a substantial increase in the number of its inspectors, to better enable it to protect the American people from unsafe foods, drugs, and cosmetics.

CIVIL RIGHTS

The Congress extended the Civil Rights Commission for 2 years. Unfortunately, I was not able to secure complete acceptance of my bill, H.R. 6879, to make the Civil Rights Commission a permanent agency, but liberal forces in Congress did extend the Agency for a further 2-year term. The work of this agency is too valuable to let it die.

I joined with the Attorney General in urging the Interstate Commerce Commission to establish rules and regulations to halt unlawful racial segregation on buses and in bus terminal facilities. These rules have just been adopted by the ICC and will permit further progress in the battle for first-class citizenship for minority groups.

Mr. Speaker, I believe that there has never been a time in American history when the President and the Congress have worked together so closely and effectively and have achieved more under such difficult circumstances. There are those who criticize our actions on the grounds that all this efficiency is costing too much, and excoriate what we have done because there will be a budget deficit of $5.9 billion this year. To them I would point out that 32 percent of this spending, half of which is to be repaid, was necessary to break the recession. Over half of this deficit is occasioned by additional spending for our national defense. The gravity of the domestic and world situations which the Kennedy administration and the 87th Congress inherited, required vigorous action and the substantial expenditures made to protect our country and restore our economy.

It is my hope that the next session of Congress will be as fruitful as this one, and I pledge to devote my energies to that end.

"College News Conference"

EXTENSION OF REMARKS
OF
HON. CLIFFORD P. CASE
OF NEW JERSEY
IN THE SENATE OF THE UNITED STATES
Wednesday, September 27, 1961

Mr. CASE of New Jersey. Mr. President, it was with a great deal of interest that I recently noted Ruth Hagy's Peabody award-winning television program, "College News Conference," will return to the air this fall over the National Educational Television Network. This program, which has been cited by numerous civic and youth organizations, has been on the air from 1952 until recently.

I am particularly glad to note that "College News Conference" will be back on the air, because of the worthy contributions which this program has made in educating the American people on important issues. It has held a high place among the discussion programs which help provoke timely debate and have proved, I believe, to be of very real informational value.

I have enjoyed my association with "College News Conference" in the past, and I know that Mrs. Hagy looks forward to an informative and stimulating new series of programs.

Governor Rockefeller Urges Federal Department of Transportation

EXTENSION OF REMARKS
OF
HON. R. WALTER RIEHLMAN
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Wednesday, September 27, 1961

Mr. RIEHLMAN. Mr. Speaker, I insert in the RECORD the following editorial which appeared in the Syracuse (N.Y.) Herald-Journal on September 19, 1961:

GOVERNOR URGES TRANSPORT UNIT BUT THERE'S A BIG "IF"

Several years ago the famed Hoover Commission looked at the Federal Government's regulatory agencies in the field of transport, decried their piecemeal approach and admitted, sadly, that prospects for unified improvement appeared mighty slim.

This forecast has been proved out.

Last week Governor Rockefeller along with the mayors of New York State's major cities, including Mayor Henninger of Syracuse, appeared before the Interstate Commerce Commission. The Governor described the need for a coordinated regulation * * * and, we presume, subsidization * * * of the country's transport systems as a national must. He would accomplish this by creating a Department of Transportation.

(Underscored by the Governor was a coordinated approach to the merger and consolidation of the country's railroads to achieve, for them, a healthier economic climate.)

Obviously the Hoover Commission findings of more than a decade ago have not been translated into bureaucratic consolidations. Otherwise, the Governor would have had to testify differently.

Equally obvious is the absence of leadership by the present Federal administration in dealing with this vital, overhaul approach to the country's transportation industries even though study after study has led to the recommendation that the United States update its 19th-century hodgepodge approach.

One big "if" clouds any attempt to unify the Nation's patchwork regulatory jurisdictions of the country's airline, highway, pipeline, railroad and waterway carriers. That "if" is whether any degree of unity and coordination could now emerge from the Federal bureaucracies governing the country's transport. These are entrenched empires. Their rulers resist change like the plague.

But this country must come to grips with its mounting transport crisis which today involves chiefly the railroads. So far Governor Rockefeller is the only national political leader to speak out. He inadvertently laid down a challenge for others to do likewise. They should.

Government and American Business

EXTENSION OF REMARKS
OF
HON. GORDON ALLOTT
OF COLORADO
IN THE SENATE OF THE UNITED STATES
Wednesday, September 27, 1961

Mr. ALLOTT. Mr. President, on September 27, 1961, Mr. John E. Swearingen, president of the Standard Oil Co. of Indiana, addressed the annual meeting of the Texas Mid-Continent Oil and Gas Association. While some of the thoughts contained in his speech have been oft-expressed, I believe that Mr. Swearingen has restated the problems inherent in governmental interference with the rights of private enterprise with a forcefulness, a clarity and an understanding that is most unusual and most compelling. Therefore, I ask unanimous consent that a transcript of his speech be printed at this point in the RECORD:

There being no objection, the transcript was ordered to be printed in the RECORD, as follows:

GOVERNMENT AND AMERICAN BUSINESS

(By John E. Swearingen)

It is a privilege to meet with you and to discuss a problem with which we are mutually concerned; namely, the impact of Government on American business.

For several decades our Government has established as national goals certain programs which have a direct and vital impact upon the American business community. Many of these programs, such as national defense, are dictated by the realities of our times; others, such as medical care, are debatable. They all have one common denominator in that they require huge sums of money.

The decision to establish these programs is by nature political, determined as a result of our elective processes. This is not the forum to discuss the political wisdom of such decisions, nor do I desire to assume the role of a political pundit either pro or con.

As businessmen, however, you and I do have a domain of special competence. In the areas of production, manufacturing, wages, marketing, prices, taxes, and research, we have an obligation to comment on Government programs which will assist our economy in expanding or which, conversely, will cause it to contract.

Throughout this Nation there are millions of people, who for the first time in their lives are becoming seriously concerned about the economy of the United States. Soviet Union spokesmen have maintained for years that capitalism will collapse economically and that international communism will be victorious without firing a shot.

The economic solvency and the military strength of the United States are, therefore, the bedrock, the very foundation upon which rests the freedom of mankind. Other nations of the free world who face economic

difficulties can turn to us for assistance. We can only look to ourselves.

Obviously the Government, in and of itself, has no assets. What it accumulates it must first extract from the people in the form of taxes. From where does the money come? The source of revenues collected by the Federal Government in fiscal 1960 tells the story. They were as follows:

	Percent
Individual income taxes	46.4
Corporation income taxes	22.9
Excise taxes	12.2
Employment taxes	11.5
Other receipts	7.0

Since a large portion of the individual income taxes, corporate income taxes, and employment taxes are derived from employees and shareholders of American business, it is abundantly clear that the entire economy of our country rests upon the ability of American business to carry the burden which has been placed upon it.

Under the circumstances, it is axiomatic that Government action promoting business stability and growth benefits the Nation as well as business. Government action, on the other hand, that hampers business growth undermines our economic strength and tends to choke off at the source the tax revenues on which the Government's own manifold programs depend. Exploring the implications for business of Government policies, therefore, is just plain good business for the Government and its citizens as well as for industry. Let us briefly examine certain Government programs in the light of this concern.

I. FOREIGN POLICY

From July 1, 1945, to June 30, 1960, the United States has made available to foreign nations a sum of nearly $86 billion in various types of foreign assistance, grants and loans. We shall make available an estimated $5 billion in fiscal 1961 for a total of nearly $91 billion. After all types of repayment and returns of grants have been considered, by June 30, 1962, our net foreign assistance program will represent the astronomical sum of $86.5 billion.

Such a staggering sum of money is virtually impossible to comprehend. It is a tremendous tribute to our economic system that we have been able to endure such an economic strain without bankruptcy and collapse. No other nation on the face of the earth (even if it were so inclined) would have been capable of such largess. We have made this effort only by accumulating a national debt which is approaching $300 billion—a figure, incidentally, which is larger than all the combined national debts of all the nations of the world since the beginning of recorded history. Many of these foreign assistance programs were established to restore the war-ravaged economies of some of our friends and allies and to alleviate human suffering. To a large extent, the original purposes of many of our foreign assistance programs have been accomplished three and four fold. But there is a limit to the extent that assets of the United States can be transferred abroad. From a business point of view, therefore, objectives of our foreign aid programs should be scrupulously reviewed so that they can be brought within the realm of our ability to pay.

There is every indication as the years go by, that the American economy will be forced to compete with the state-controlled economy of the Soviet Union in many areas of the world. American business can only participate in such a competition if it is allowed to grow and expand. The vital area of our foreign policy concerning trade agreements and tariffs must be reexamined and placed on a truly reciprocal basis if American industry is to compete, not only with our opponents, but also with our friends.

A comparison of unit production between the United States and Western Europe from 1950 to 1960 should illustrate the point. In steel, automobiles, and total exports, the growth of Western European economy was from 100 percent to 400 percent higher than our own. While our steel production was increasing from 88 million tons annually to 90 million tons, Western Europe's production of steel increased from 51.9 million to 107 million tons. While our production of 7.8 million cars in 1960 was actually lower than the 8 million that rolled off our assembly lines in 1950, Western Europe manufactured 6 million cars last year, compared with 1.6 million 10 years earlier. While the value of our exports grew from $10.2 billion to $17.6 billion over the decade, Western Europe's over the same period grew from $10 billion to $21 billion. At the same time, Western Europe's gold reserve more than doubled, from $6.5 billion to $16.2 billion, while ours declined from $22.8 billion to $19.5 billion.

A businessman's conclusion must be that our economy must expand or the commitments we make in the future must be severely curtailed. To increase the commitments without expanding the economy is a sure blueprint for bankruptcy. But the way to expand our economy is by less Federal interference and control—not more.

II. FISCAL POLICY

Both political parties have consistently promised to end deficit financing, to prevent inflation, and to balance the budget. Neither party has been able, or perhaps willing, to redeem its pledges. The future promises more deficit financing and more inflation.

Those of us who are charged with the responsibility of business management know that the Government must provide an incentive for people to risk their capital, either in established businesses or in new ventures. Risked capital produces the vital mechanism where factories are built, jobs are created, and new and better products are made available to consumers. The positive course of action required at this time, therefore, is for the Government to provide tax and other incentives for industry; to increase these incentives, not reduce them. Among other things, more realistic tax depreciation programs are needed to encourage capital expansion.

Conversely, Government proposals that would increase taxes at the risk of throttling industry ignore the obvious fact that too large an appetite may drive the cook from the kitchen. When taxes become too restrictive, business inevitably contracts, and tax revenues decline.

Every corporate dollar subject to Federal income tax now shrinks to 48 cents in after-tax profits. Under the circumstances, the proposal to eliminate the modest relief from double taxation permitted to the stockholder, by taking away the 4-percent dividend credit in the computation of his own tax return, qualifies as both inequitable and restrictive on investments.

Percentage depletion, as all of us know, is another tax feature subject to recurrent attacks. This allowance, which affects not only our particular raw material but over 100 others, has served this Nation well as a matter of development of natural resources. At an hour when we must develop our resources to the maximum it is poor policy to allow this particular incentive to become a tax football.

The matter of fiscal policy and tax incentive can be discussed in a very technical fashion, or it can be rather simply stated as a matter of philosophy. Basically, the positive program, the green light which American business needs from Government on fiscal matters is the encouragement manifested in numerous ways which will urge the business community of America to expand and grow soundly. Growth requires risk capital, which businessmen are reluctant to invest when Government vagaries rather than economics determine whether gains are possible.

For at least a decade our political leaders have been warning the American people that sacrifices must be made to preserve and perpetuate our society. Defense appropriations have constantly increased to strengthen our military capabilities. At the present time these defense appropriations constitute $47.5 billion out of a budget of $87.7 billion.

As a businessman it is clear to me that someone in the Government is confused as to the exact nature of the sacrifices needed. Sacrifice means to do without. In my personal life and in the management function which I perform for my corporation, when vital emergency expenses are necessary, we curtail other activities and do without some things in order to meet our obligations.

The obvious answer to the increased military expenditures is not to raise taxes and to increase indebtedness, but rather to curtail or abolish unnecessary activities, to eliminate nonessential spending, to postpone costly, nonvital projects, and thus to do without until the priority objective is attained.

In a quotation attributed to the French author, Alexis de Tocqueville, the dangers of loose fiscal policy were stated as follows:

"A democracy cannot exist as a permanent form of government. It can only exist until the voters discover they can vote themselves largess out of the public treasury."

Without comment may I cite the following statistics concerning those who derive all or a portion of their support from our Public Treasury:

Federal Government employees	2,400,000
State and local government employees (not including school employees)	5,300,000
Social security retirement benefits	14,300,000
Veterans' Administration pensions and compensation	4,500,000
Total	26,500,000

This is not a forum to debate the wisdom of the increased social security benefits, the medical program, Federal housing, reclamation, Federal aid to education, atomic power, urban renewal, and a host of other programs.

Ours is a forum, however, to constructively propose that when this Nation is in peril, we temporarily forgo vast expenditures in some of these areas and divert the funds toward our primary goal of survival. It is my sincere conviction that we must cease to face every crisis by maintaining all fringe benefits and levying additional taxes and controls on our economy. This is not sacrificing; this is economic suicide.

III. LABOR POLICIES

An essential ingredient in a vigorous economy is a proper balance between labor and management which protects the rights of both, and at the same time provides the greatest benefits for all consumers. Free collective bargaining under existing labor legislation has provided a mechanism under which labor and management have, to a large degree, successfully resolved their differences. Unfortunately, there now seems to be a tendency to make Government intervention, or the threat of it, a matter of common policy rather than a rarely used last resort. Throughout history there have been innumerable attempts on the part of governments to control artificially the laws of economics in respect to wages and prices. Never have these attempts been successful. Always they have produced an economy or scarcity, chaos, and confusion. I believe business will expand if collective bargaining and consumer acceptance in free competition are allowed to set wages and prices.

Responsible Americans must also realize that powerful labor unions exert political and economic influence far beyond that to which they are justly entitled. Local law enforcement in labor disputes more often than not fails to uphold existing laws and to protect property and human rights. The fact that unions are able to draw upon their vast treasuries for political purposes while business is prohibited from using corporate funds for those same purposes represents an imbalance that must be corrected.

When this imbalance is corrected (and I am certain it will be in time), the tremendous political power of the labor bosses will be restored to its proper perspective and the entire economy will benefit thereby.

Furthermore, to promote an expanding economy, the fruits of technology must be made available to all consumers in the form of lower prices, not exclusively harvested by labor in the form of higher wages.

IV. CLARIFICATION OF ANTITRUST POLICIES

The most positive step necessary to encourage the business community of the United States to expand and to seek new markets is a clarification of the antitrust policies of the Government. For the last two decades no legal counsel has been in a position to advise his employer accurately as to the precise limitations and restrictions of existing statutes. What is legal one day becomes the subject of prosecution the next. In fact, on occasions it has appeared to me that some people in Government believe that being big is automatically bad.

On occasions the Department of Justice seems to be seeking for ways to place roadblocks in the way of business expansion. The recent restrictions against bank mergers are but one instance. Similarly, on occasion, the Internal Revenue Service, by refusing to state its position, has completely ignored the practical difficulties created by its silence. It is no great trick to destroy business. The real art of government is to nurture business in its broadest definition so that all the Nation and all the people can benefit. When so much attention is being focused on morality of business, isn't it time some attention is also focused on the morality of government?

People in and out of government must be made to understand that if our Nation is to achieve a gross national product of $595 billion and provide tax revenues each year of $85 billion, then it must of necessity contain industrial complexes of vast magnitude. No responsible business leader condones collusion to fix prices or conspiracy to violate antitrust statutes. By the same token, however, no intelligent businessman supports the present confusion of antitrust policies, which vary from day to day as to what the laws mean.

V. HARASSMENT

For the last several decades it has become popular to harass business and at every opportunity to suggest new methods of regulation and control. Some politicians have made reputations by excoriating businessmen because they sold at too low a price. Others have gotten the limelight by allegations that industries sold at too high a price.

Such inconsistencies seldom seem to trouble business' critics. Business baiting has become too popular a sport for them to worry about consistency or the lack of it, or about facts or the lack of them. Unfortunately, moreover, some officials seem not to be able to distinguish between issues and personalities. The disability of the kind of personal harassment in which some Government officials indulge lies not so much in the wounded sensibilities of their victims—but in the debasement of the democratic processes, in the deliberate distortion of viewpoints meriting consideration, and in the reluctance that it engenders among executives to expose themselves to almost certain vilification if they try to contribute their special talents to Government. Isn't it time to call a halt to harassment for harassment's sake and to limit the regulation and control of Government to those facets that are absolutely essential for the national welfare?

VI. REGULATORY AGENCIES

At one time abuses in certain areas created the necessity for regulatory agencies in the Federal Government. Primary examples are the Interstate Commerce Commission and the Securities and Exchange Commission. However, the medicine of the regulatory agencies now threatens to kill the patient. Regulatory agencies, amounting to over 68 in number, have become substitutes for the regular legal, judicial, and executive processes of the Government. When originally conceived, the administrative actions of these agencies were to be subject, on their own merits, to review by the courts. But because of the vast multitude of the agencies' regulations, they now have all the practical force and effect of the law. Seldom can business appeal successfully.

Regulatory agencies not only promulgate the law through their regulations, they execute the law by finding business in violation of their edicts, and adjudicate the law in their own trial examiner hearings. One of the worst features of this growth of the almighty independent agency is that the individuals manning the various boards and commissions have long tenures of office, are political appointees, and have absolutely no responsibility to the people. It is no wonder, therefore, that the field of administrative law, as it affects business in buying, selling, shipping, hiring, firing, investing, and numerous other important areas, can only be described as a morass.

Furthermore, the control within the regulatory agencies is seldom exercised by the nominal heads. Frequently policies are established by civil service employees in job classifications far below the grade one would expect for individuals charged with these responsibilities. Thus it is that in many instances, an unheard-of, unknown employee in a regulatory agency can make a pronouncement vitally affecting the entire American business community.

Recently there have been attempts even to expand the authority of these regulatory agencies and to delegate even more authority to those in lower positions within the agency. Thus far, these attempts have not been successful, but they are indicative of the problem which faces the business community.

As a businessman, I feel the Government should reexamine the functions of many of these regulatory agencies in accordance with the recommendations which have already been made by many of the Hoover Commission task forces—to limit in extent the powers of these agencies, to provide for speedy judicial review in important cases, and to restore to the people the people's business.

VII. UNFAIR COMPETITION

The American business community has thrived on free and open competition; and the American business community is perfectly willing to invest its money and take its chances, provided it is allowed to enjoy equal opportunity and fair competition.

It would be a very positive step for the Government of the United States to get out of those businesses which can be performed by American industry. It is fantastic for the Government of the United States to take tax money from individuals and corporations, and then to compete with them in the operation of everything from ice-cream plants to powerplants and industrial complexes.

For years there has been a great clamor on the subject of getting the Government out of business. Frankly, in my opinion, on the basis of statistics available, very little seems to have been done.

The second area of unfair competition to which I would like briefly to allude concerns that of cooperatives. The theory of the cooperative, like that of the regulatory agency, was sound in its beginning. Few could object to a group of individuals combining their purchasing power in order to procure commodities at a reduced unit price. Business executives today have little quarrel with what is referred to as "on the farm" cooperatives which are legitimately engaged in the business for which they have been chartered. No one, however, can justify the organization of a profitmaking company engaging in manufacturing, refining, sales, and distribution which accumulates vast sums of money which are undistributed, and yet which pays no corporate tax. Corporations should not be forced to compete with others engaged in the same business on a volume basis when one is required by law to pay a 52-percent corporate tax, and the other markets its products tax free.

The growth of the competitive free enterprise system would certainly be encouraged if the obvious corrective measures were taken in this area.

VIII. GOVERNMENT APPOINTEES

In many ways, one of the most frustrating and disheartening experiences is to read the announcement of the appointment of an individual to a high Government position exercising vast authority over the business community when I know that he is hostile to the very economic beliefs upon which this Nation is predicated.

With rare exceptions, we in the business world are familiar with the economic philosophy of prominent people. We generally recognize the followers of John Maynard Keynes and Harold Laski. We read enough to identify Fabian Socialists and the followers of Hjalmar Schacht.

It is distressing when the television and newspapers report, as they frequently do, that persons of this type will be officially enunciating our economic doctrines. How refreshing and how positive it would be if the local, State, and National Governments delegated authority only to individuals who were well known advocates of our economic system. An upsurge of enthusiasm would occur among American business and professional leaders if outspoken advocates of American free enterprise staffed the boards, the commissions, and the advisory positions from which emanate the political power over labor and management. This would practically guarantee a resurgence in American business.

CONCLUSION

In my brief comments I have indicated to you some specific instances in which Government programs have a vital impact on American business and business expansion. Every one of the points which I have mentioned to you is actually a political decision, and can only be accomplished by political action.

As American citizens we, who are especially concerned with business management, recognize that many of the past and proposed Government programs will be wrecked on the rocks of economic reality. We have an obligation and a responsibility, therefore, to make our voices heard. Ours is a political system.

It is incumbent upon each of us to participate in the party of our choice at the local level and at the national level, and to give to politics, as citizens, a portion of our time and talents and money. Furthermore, we must serve in government when the specialized skills we possess are needed.

As individuals and as management officials, we have a responsibility to encourage our associates and our employees to participate

in the political party of their choice so that some of the positive programs which are for the benefit of our entire economy can be translated into political realities.

May I suggest to you that the marvel of our society is that it was based on individual responsibility, liberty, and opportunity. Regimentation, regulation, and government controls are as old as the ages.

From the tyrannies of Egypt to the modern barbarians of the Soviet Union, the techniques of totalitarianism have remained the same. The United States has been unique because its people accepted political responsibility and guided their own lives and destinies right from the beginning. We will remain great and become greater only insofar as we refuse to deviate from the fundamental principles upon which this political edifice was reared.

American business can meet any challenge that the future may bring, but we must meet it unshackled, unfettered, and free. We in the business world must not abdicate our authority to the ivory-towered Socialist or fuzzy-minded theorists.

Today there are undoubtedly among this audience those who can assist in recommending to government the positive programs which will guarantee American business expansion.

There is a vital task to be done. All of us must help in it.

Thank you.

A Year of Innovation and Growth

EXTENSION OF REMARKS
OF
HON. JACOB K. JAVITS
OF NEW YORK
IN THE SENATE OF THE UNITED STATES

Wednesday, September 27, 1961

Mr. JAVITS. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD excerpts from the excellent report of the New York State Division of Housing and Community Renewal for the fiscal year 1960–61.

The report outlines the imaginative steps being taken in New York State to meet its ever-growing needs for adequate housing for all and for urban renewal.

There being no objection, the excerpts were ordered to be printed in the RECORD, as follows:

A YEAR OF INNOVATION AND GROWTH

Innovation and growth have characterized the programs administered by the division of housing and community renewal during the past year. Changes in both approach and scope have been brought about by the interaction of two forces of government, both directed toward the improvement of urban life—one from the municipalities, the other from the State.

From the communities, the prime force has been the growing acceptance by an informed citizenry of the importance of renewing and conserving the physical resources of a central core in order to promote the economic and civic vitality of the municipality. The direct result of this widespread support for urban renewal has been increased demands for the State's financial assistance and services.

From the State, the force has been its policy of encouraging diversity in the use of its funds and services in a deliberate effort to tailor its aid to meet the varying requirements of individual areas. Adaptability—in design, in financing methods and in management practices—has been the keystone of administrative planning.

This interaction between the community and the State in developing "custom" programs to cope with local variations of the nationwide problem of urban blight has been in the highest tradition of home rule. At best, the urban renewal process is expensive, takes time, demands persistence, and requires imagination. The State, as the community's supporting partner in this process, has encouraged experimental efforts and pioneering programs that may well establish patterns for communities elsewhere to follow. It has responded to the individual needs and preferences of a diversified, democratic society.

Innovations in the field of finance have been the most significant changes affecting the programs administered by the division of housing and community renewal. Because the agency has functioned in some respects like a bank, supervising the State's loans for housing and urban renewal, two changes in financing have had tremendous impact on the scope of these programs.

NEW YORK STATE HOUSING FINANCE AGENCY ESTABLISHED

The first change, an imaginative plan to provide one-half billion dollars in low-cost mortgage loans for middle-income housing construction, was launched at the beginning of the year with the enactment of legislation creating the New York State Housing Finance Agency.

Until this year the limited-profit housing program, under which the State had provided 90-percent mortgage loans to private enterprise for cooperative and rental housing projects, was restricted to the $150 million authorized by the electorate.

The new method of financing the loans through the housing finance agency has expanded the program by creating an entirely new source of funds. The agency may now sell $525 million of its bonds to a broad segment of the investing public, thereby attracting into housing finance for the first time investment funds previously unavailable for mortgages because of the long-term commitment and the risks involved for investors unskilled in mortgage financing. The division, with its know-how in the development and operation of middle-income housing, can now represent these investors.

The proceeds of the bond sales will be loaned to the housing companies at the going rate of interest plus a service charge to support the agency. The limited-profit housing program has been expanded and placed on a sound fiscal footing without any further direct pledge of State credit, except for a $2 million loan to initiate the housing finance agency's capital reserve fund.

URBAN RENEWAL FINANCIAL ASSISTANCE CHANGES FROM LOANS TO DIRECT GRANTS

The second important change in finance was introduced in the State's urban renewal program, revising the form of assistance from a loan to a direct grant. This revision was made for the sole purpose of reducing the cost of the program to the taxpayers.

When the urban renewal program was originally conceived in 1958 as a plan to provide financial assistance to communities undertaking urban renewal projects under the Federal title I program, financing was patterned after the loan and subsidy formula already in use for the State's low-rent housing program. The original program as approved by the electorate authorized the State to sell $25 million or urban renewal bonds and to loan the proceeds for 25 years. Corresponding annual subsidy payments sufficient to cover interest charges and debt retirement were also authorized.

This means of financing was deemed unnecessarily costly by an economy-minded State administration, since every dollar extended in direct aid would cost the State an additional 45 cents in interest charges. Unlike the State loan for the construction of a housing project that becomes revenue-producing and provides half of the debt retirement out of rental income, the loan for urban renewal is applied to a non-revenue-producing intangible, the so-called write down of the land cost, and subsidy must cover both debt retirement and interest.

With the entire urban renewal $25 million loan fund committed or reserved by the fall of 1960, a year and one-half after the program was launched, new legislation to expand the program was drafted for the 1961 session of the legislature. Here emphasis was placed on setting the program on a direct grant basis, with funds derived from current State revenues. The $10 million in new aid authorized by the legislature during the 1961 session will now cost the taxpayers $10 million, not $14,500,000 as it would have if the original financing arrangements had been continued.

In addition to the two major innovations in finance, a minor change in the low-rent housing program occurred this year as a result of the expanding economy and consequent decrease in the percentage of families at the bottom of the income ladder. This trend, which economists have been predicting would appear as a characteristic of the income picture during the present decade, is already in evidence in Glen Cove, a thriving community on Long Island's prosperous north shore. Surveys conducted by the division of housing and community renewal showed that Glen Cove's housing inventory should be increased primarily in the middle-income range, somewhat above that provided by the traditional low-rent program.

LIMITED SUBSIDIES UPGRADE PUBLIC HOUSING

To meet this special local problem, the concept of limited subsidy was introduced, and rents averaging $17.45 per room per month instead of approximately $12.50 were established for a new low-rent project.

The State's response to these local circumstances in the housing requirements of an individual community, however, extended well beyond the mere provision of new housing at suitable rents. With the cooperation of a housing authority of considerable vision, Glen Cove's new housing project is being designed from its inception for future conversion to middle-income cooperative ownership. Each building in the 12-building project will consist of four apartments. Each will be located on its own well-defined plot of land, and will be provided with its own heating plant and service facilities. Individual buildings, therefore, could be converted into tenant-owned cooperatives without alterations should incomes increase and tenants become ineligible for subsidized housing.

The plan has received favorable comment for two reasons: Adaptability that foresees economic change has been provided in the physical structures, permitting the gradual and easy exist of government when its assistance is no longer required; and the social atmosphere that holds out the reward of homeownership instead of the penalty of eviction for tenants who improve their earning capacity will restore an American tradition to low-rent housing management which too long seems to have been dominated by standards of income rather than need.

DESIGN INNOVATIONS RECEIVE SPECIAL EMPHASIS

Innovations in design have received special emphasis because the administrative planning that enables a housing program to meet successfully a community's needs ideally should be initiated with, and expressed through, design. An imaginative architect deals with the economic reality of land cost through design. In a specific instance this year, a site too limited to accommodate the

required number of apartments in the garden type of design preferred in the community prompted the architect of a low-rent project in Greenburgh to design split-level buildings that preserve the suburban atmosphere and yet meet the budget for land costs.

The unavailability of suitable housing sites in the large urban centers is a problem of such persistence and extent that it has called forth engineering ingenuity to create entirely new sites literally out of air. Currently the choicest New York City sites in the limited-profit program are a baseball park, a racetrack, and a railroad switching yard. There being an obvious limit to the number of sports fields available for housing construction, the railroad site represents merely the first in a rapidly developing trend toward utilizing air rights in order to create sites that will provide housing for middle income families within the urban areas.

While some design innovations were the natural response to economic necessity, others were studied as a part of a complete review of the division's design standards for both the low-rent and the limited-profit programs. The review was initiated from within the division and undertaken by the technical staff in an effort to provide, wherever possible, consistent policy for both programs, and to remove, wherever they exist, rigid requirements that have outlived their original usefulness.

During the course of this review, which is still in process, a new standard was adopted for the limited-profit program that will assure the construction of a substantial portion of apartments for the aging The overall objective will be 20 percent of all the apartments financed by the State in any community. This standard is similar to the prevailing standard for the low-rent program, which requires that 10 percent of all apartments financed by the State in any community be for the aging.

APARTMENTS FOR THE AGING

A substantial number of projects exclusively for the aging that are now in preliminary planning will undoubtedly meet this objective in certain communities for some time. When necessary, however, sponsors will be required to include these special apartments in their projects.

The increasing number of aging in the population not only dictated the division's policy of requiring that apartments for this group be included in its program, but also has been the motivating force in inducing a number of nonprofit organizations to consider sponsorship of housing projects exclusively for this group.

The most advanced of these special projects is also the first to be sponsored by a religious institution under State financing. Named "Fellowship Hall," it is sponsored by the Presbyterian Church of Mount Kisco, and will be built in Bedford Hills. A nonsectarian board has been named to direct the housing company.

The project's architectural design and management program have been developed in response to the special requirements of the aging group. Each apartment will have its own ground level entrance through a terrace, and its own garden plot. A combination recreation center and dining hall will serve as a focus of recreational activities, including the preparation of meals for those who wish to eat in company. A director of social activities, a nurse, and a superintendent will be residents of the project. An office for a doctor has also been included in the plans. The facilities of the project, therefore, will permit independent living without the isolation that is often the lot of the aging person living alone, and will provide the recreational and health facilities usually available only in an institution. In Fellowship Hall the sponsors have provided the most complete management program yet developed for the aging; their standards can be expected to influence future plans for similar projects.

ADVANCE IN HOUSING MANAGEMENT—AN EXPERIMENTAL PROGRAM FOR PROBLEM FAMILIES

Another notable advance in housing management during the year was the experiment in training so-called problem families, undertaken by the Rochester Housing Authority. The growing number of inmigrant families from rural areas invading slum areas of large urban centers has complicated the relocation problem in urban renewal programs. Ineligible in many cases for public housing, and unwanted elsewhere, these families are a drain on the municipal economy because of the excessive financial assistance and social services they require.

The Rochester plan, sponsored as a communitywide effort, is unique in several respects. It is conceived as a plan to improve the family's housing and employment opportunities as well as its community relationships. The family is moved from its slum apartment to a house in a middle-income area. Unidentified publicly, the family is started on a new life with a job for the wage earner, a decent home in a neighborhood where middle-class standards prevail, and considerable assistance in developing self-reliance from the social agencies of the community.

The houses have been purchased with funds donated by the business community, and are owned and maintained by the housing authority. Initiated in November with the purchase of the first house, the experiment will eventually cover approximately 15 families. At present, three families are included in the experiment.

Although viewed as an experiment requiring several years to develop a family's ability to be entirely self-sustaining, a significant change in the pattern of family behavior has been marked from the beginning. Responsibility as tenants in such matters as paying rent promptly and maintaining good housekeeping standards has been accepted. Good housing in a good neighborhood has been an incentive for the tenant to cooperate to the extent that he adopts the standards of his neighbors in the landlord-tenant relationship.

Ultimately it is expected that the experiment will enable the Rochester Housing Authority to develop standards for training problem families, and will determine how an enlarged program should be conducted and how much it should cost.

LOW-RENT PROJECT CONVERTED TO LIMITED-DIVIDEND COOPERATIVE

While the Rochester plan was initiated to cope with one management problem in a changing housing market, the Buffalo plan was launched to deal with another. Authorized late in 1959 and undertaken this past year, it involved the conversion of a low-rent State subsidized housing project to cooperative tenant management, and represents the first conversion of its kind in public housing. Prompted by the need for middle-income housing in the downtown area of Buffalo where the project is located, and by the availability of new public housing opening up in other areas of the city for the relocation of the low-income tenants, the Buffalo Housing Authority undertook a renovation program to upgrade the low-rent facilities to middle-income standards. Ownership has been retained by the housing authority, but the structures have been leased to a limited-dividend housing company organized for the purpose by a group of Buffalo businessmen who are also directing its management on a temporary basis until the tenant-cooperators have gained sufficient experience to operate the project.

TO ASSURE COMPETENT MANAGEMENT IN MIDDLE-INCOME COOPERATIVES—A PREOCCUPANCY TRAINING PROGRAM

A most important innovation brought about with the development of a number of small-scale cooperatives under the State's limited profit housing programs was the initiation of a preoccupancy training program. Intended to develop standards to be used by the sponsors of these projects in the future, the program was undertaken to assure that tenant leadership would be developed by the time a cooperative is ready for occupancy, thereby assuring competent management to protect the tenants' and the State's investment.

COMMUNITY SERVICES ARE EXPANDED AND IMPROVED

The services the State provided to its communities through the division of housing and community renewal were expanded and improved throughout the year.

In a step to strengthen the administration of the code, a State building construction board of review was appointed to act as a board of appeals on construction matters arising under the code. Composed of an architect, a consulting engineer, and a home builder, the members brought to this responsibility the professional background considered essential for the efficient functioning of the board.

Legislation to establish the administration of the State building construction code permanently in the division of housing and community renewal was enacted by the legislature and signed into law by the Governor in March. Under the new legislation, the code will be administered by a seven-member State building code council consisting of the commissioner of housing and community renewal, who will serve as chairman, and six members appointed by the Governor; and the board of review will be composed of three members of the code council with one member being either a registered architect or professional engineer.

The administration of the urban renewal program was also strengthened by the appointment of an advisory committee, composed of public officials dealing directly with urban renewal in their local communities. Since the purpose of this committee is to assure that the division's services are directly responsive to varying community needs, its responsibility this past year has been to review a number of changes in legislation to clarify and simplify sections of the general municipal law and the local finance law, as well as the major change in urban renewal assistance from loans to grants, discussed earlier.

Another service, the model housing code, was improved this past year to increase its usefulness to the small communities throughout the State. The code was expanded by the inclusion, for the first time, of ordinances covering mobile homes and mobile home courts. In addition, it was revised to conform with the format of the State building construction code, thereby facilitating its use by the municipalities under the latter code. The administrative guide, provided as a companion to the code, was revised to provide greater assistance in administration and enforcement.

Growth as well as innovation has characterized the State's programs during the past year. The most dramatic expansion has taken place in the middle-income housing program as a direct result of the increased financing made available through the New York State Housing Finance Agency. Fifteen new projects in New York City and one in Bedford Hills had been approved by the division and submitted for local action on tax abatement by December. The largest, a well-conceived neighborhood plan for a 4,700-apartment cooperative with commer-

cial, recreational and municipal facilities to serve an entire neighborhood in New York City, was a hope that did not materialize; the sponsors withdrew in the face of official opposition. All of the others, however, had been approved or were assured of approval by the end of March.

As a result of this stepped-up activity, 1961 will be a record year for the statewide middle-income construction program. A total of 11,415 apartments in these 15 new projects and in the 6 others previously approved are scheduled to go into construction during the year.

Growth also marked the low-rent housing program and resulted primarily from the approval of increased subsidies by the electorate in November. This increase in subsidies was made necessary by rising interest rates, and, until the voters voiced their approval, the full use of authorized loan funds had been jeopardized. Among the projects initiated, five received full approval and were placed under loan and subsidy contracts by the end of March.

GROWTH OF PROGRAMS DURING YEAR

Similar growth was displayed in the other programs under the division's supervision. The urban renewal assistance program was expanded to the maximum with the commitment or reservation of the entire $25 million loan fund. A related service, community surveys to determine the need for urban renewal and housing assistance, set a record with the completion of 20 surveys by the end of the year, approximately 50 percent more than last year, the previous high year. The State building construction code continued its growth, with 344 municipalities accepting the applicability of the code by the year's end, despite the unsettled question of the code's permanence and as demonstration of the ever widening recognition of this outstanding State service to communities.

The division's programs, adapted to the specialized needs of individual communities, have continued during the year to contribute to the improvement of urban life as a patr of the administration's overall drive for economic growth throughout the State.

Report to Constituents

EXTENSION OF REMARKS
OF

HON. PHIL WEAVER

OF NEBRASKA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 27, 1961

Mr. WEAVER. Mr. Speaker, under leave to extend my remarks I would like to enclose in the RECORD at this point my summary of the actions of the 1st session of the 87th Congress to the people whom I represent. The summary follows:

WASHINGTON.—The first 9 months of 1961 have been ones of crisis, confusion, contradiction.

Berlin: A crisis focal point and a challenge to America.

Foreign policy—defense: Major improvements, some bungling, a great deal of waste.

Domestic problems: Recession hysteria—followed by a return to commonsense approaches.

BERLIN

As summer heat intensified, so did the Berlin crisis. By mid-July administration forces realized the seriousness of an unsound situation and ordered a speeding up of defense preparations, a new emphasis on our limited warfare capacity to meet changing situations firmly and without hesitancy—uncertainty which marked opening days of the Kennedy administration's foreign policy efforts.

Administration spokesmen talked in generalities. There were many contradictions, conflicting statements and estimates. To get first-hand, accurate and as nearly objective reports as possible, I was asked to visit Berlin, our other Western European bases. The Berlin assignment is explained by Chairman GEORGE MAHON in these words: "The Subcommittee on Defense Appropriations, which I head and of which Mr. WEAVER is a member, has tremendous interest in farflung operations of the Department of Defense and all our Armed Forces. We have to know what is being done with the money which we handle in various appropriations bills and we want to do what we can toward providing the best possible defense programs for the United States."

In Berlin: Diamond-hard determination, calm assurance. Those are the words to describe American forces from privates to commanders who are in daily contact with the potential enemy across the barrier built by the East German Communists. Well armed, well equipped, well trained, and with high morale, our forces are secure in the knowledge that what they do is right and that they have complete backing of the American people. I was able to pass along to them further assurances that the Congress wants to do all it can to provide them with the tools to carry on their work. Tough, professional veterans are armed with the M-14 rifle, the M-60 machinegun, best weapons of their kind in use today. And our troops know how to use these new weapons, I watched them in range practice, men of the 8th Infantry. Fired the rifle myself. I can assure you they are experts, capable of taking care of themselves.

The wall: Built by the East German Communists in August was more than an effort to block the flow of escapees from the East to freedom. The Communists have failed to snuff out the lamp of freedom which burns so brightly deep behind the Iron Curtain in West Berlin. So, they attempted to draw a curtain, to block off the light. Three hours in East Berlin more than demonstrated why they had to take this action. Walking from freedom into tyranny is like walking from a lighted room into a closet. In West Berlin people are friendly, assured and walk and work in surroundings similar to any American city. In the East it is drab, dreary, and the people walk in apathy. They lack the free stride, expectant look of freemen going about their business eagerly. The main stem, Stalinalle, looks prosperous. Big, new apartments, stores, brightly lit, but it's like the false fronts on a western movie screen. Behind is the rubble of World War II, destruction, and still the scent of death. Communists cannot afford this contrast.

American mistake: We should not have let the East Germans build the wall across Berlin. We lost a major round in the continuing fight for freedom when we permitted it. West Berlin is more than a symbol of freedom, it was a magnet, drawing freedom-hungry men and women to look and compare. Experts believe that without risk we could have stopped the wall. It may now be too late.

Overall look: I visited other border posts, backup echelons At one point on the Czech border I visited an armored cavalry division Men are on 24-hour alert, even those off duty can be on their way to border stations in 15 minutes. Vehicles are at top-performance capacity. The new, powerful M-60 tank will become the backbone of our Army's armored strength. It equals the best the Soviets have. The division commander at the Czech border told me he was faced by three Red divisions. "But," he said, "if they move against us we will destroy them." For the first time in history we have an adequate inventory of munitions, other supplies, on hand, near a potential battle scene. I visited with many Nebraskans holding responsible jobs. Found them all to be determined, confident, and calm. Our forces in Europe from the top commander to the private soldier, are professionally competent and unworried about the Soviet and East German intransigence in the Berlin matter. I was proud of our military forces and their dedication to their mission.

DEFENSE BUILDUP

Strategic effort: This year's four separate Defense budgets called for a sharp buildup of our ICBM arsenal including speedup of Polaris submarines. After early, hasty decision to drop B-47's, administration views changed and this important factor in strategic defense will be retained. Atlas construction program is will underway. New Titans have been fired successfully. Minuteman also will be speeded up.

Modernization: After years of effort by those of us on the Defense Subcommittee who saw present emergency needs coming, a decision was made this year to modernize, increase our ground fighting forces. This program would be going well—if these were normal times. It's my feeling we must move faster, even if it means building more assembly lines or speeding up those already in production—this is a must.

FOREIGN AID

Marked lack of enthusiasm: This would describe the attitude of most in Europe over continued economic assistance; however, most show a keen desire for continued military assistance. These observations confirm my own conviction that the phases of mutual assistance must be divorced and presented separately to Congress. With booming economy in Western Europe, it is apparent they could and should help in making assistance available to those countries where living standard is at the bare subsistence level; instead, President Kennedy again has presented a combined measure—with a new wrinkle—back-door finance. He wanted long term, multibillion-dollar aid without congressional controls. I voted against foreign aid this year because we cannot expect the American people to "buy" this program blindly with nearly 5 billion of their tax dollars. Most Americans would approve aid to those of our allies determined to face up to the Communist threat because their armed forces are working shoulder to shoulder with our own. They do not support blanket assistance to countries which, at best, are not friendly and sometimes actually support the Kremlin.

DOMESTIC PROBLEMS

Recession: With the advent of the Kennedy administration came a real degree of hysteria over the recession. A number of bills including area redevelopment, urban renewal, vast public housing programs, were jammed through Congress early this year—all were costly—all went through with the assistance of the administration-packed Rules Committee. As recession threats faded, so did the President's influence on the Congress. The very packing of the Rules Committee backfired. He had been promised by Chairman HOWARD SMITH that, if left alone, the committee would support any bill he labeled as "must." After the packing was accomplished, the committee—with a "liberal" Democratic majority—killed his aid to education bill. Other measures such as compulsory medical insurance, tax reforms, stalled in committee.

Expenditures: At that, the big spenders in Congress managed to add $908 million to the financial responsibility Nebraskans must bear. This comes to $644 for each of our State's 1,411,033 citizens. In all the budget

reached $95 billion, an increase of $6.5 billion over last year. This is not the full story, though, the President asked for $28 billion in back-door financing and, despite efforts by those of us who favor fiscal sanity, he got $19 billion this way. It is estimated by experts that the United States has been going into debt at the rate of $1 million an hour, $24 million a day, $168 million a week, or $8.9 billion for the first year of the Kennedy administration.

Ways to save: One of my last actions during the 1st session of the 87th Congress was to introduce a bill, H.R. 9121, designed to force fiscal sanity and avoid insolvency. The bill would have reduced the total number of nonessential Federal employees by 10 percent by not permitting agencies to fill vacancies through hiring from the outside. Instead of adopting this approach, the administration asked for additional personnel, including hundreds of so-called supergrade civil service employees with salaries ranging up to $19,500 a year; 800 such jobs were approved with 50 of them set aside for the President to use in staffing new agencies.

Social security: Along with all but 14 Members of the House I supported a measure which became law increasing benefits to widows and those receiving lowest benefit rates. Measure also permits men to retire at age 62 with reduced benefits. Other technical changes were made in the law. If anyone has a question in regard to his or her social security benefits, I'll be glad to help if possible. Just contact me, First District Representative PHIL WEAVER, 1230 New House Office Building, Washington 25, D.C.

Agriculture: Congress took major steps to meet increasingly pressing farm problems, increase income of our farm families, lessen cost-price squeeze. Under the emergency feed grain program more than 71 percent of the corn, feed grain producers in Nebraska voluntarily signed up to reduce acreage by 20 percent or more. Same program will be in effect next year. Wheat: A 10- to 40-percent acreage reduction bill was passed with incentives for those retiring over 10 percent. These programs should cut acreages, surpluses; increase prices to farmers and cut costs to taxpayers by $500 million. Secretary Freeman has been ordered to bring in new, long-term program by January 15, 1962.

Resource development: Real progress was made in sound, orderly development of our water, power resources and highways. Nebraska projects including Salt Wahoo, Red Willow, were approved for construction. Survey funds were approved for Little Blue, Nemaha-Little Nemaha Basin where recent floods have done tremendous damage. At my request, House Public Works Appropriations Subcommittee included $40,000 for basinwide, comprehensive survey of Loup-Platte Valleys. This is essential to conservation of water for irrigation, power, municipal and industrial purposes and the future progress of eastern Nebraska. Survey work begins this fall.

I have asked Reclamation Bureau officials to speed work and to make sure adequate funds are available for complete survey job—future power needs—Nebraska's industrial growth must depend in large part upon future power available. To help meet those needs, power will be brought in from the Colorado River storage project and to insure this power being available at reasonable rates I joined with two of the three other Nebraska Congressmen to support construction of transmission lines for the project. Efforts were launched to link Sioux Falls, S. Dak., and Salina, Kans., with an interstate highway. This may prove a long, hard fight and will need cooperation at the national, State, and local levels. Purpose of the interstate is not only to provide coast-to coast highways, but to link important cities within a unified commercial region, which the north-south interstate would do.

Lincoln Air Force Base: Atlas missile base construction is nearing completion and the big birds will be nested. The midyear revision in administration thinking will keep B-47's flying from Lincoln as another factor in our deterrent effort. Lincoln AFB continues to play an important role in our overall defense posture. Recognizing this, Congress this year approved, at long last, funds for a much-needed modernized medical facility.

House Minority Leader CHARLES HALLECK, Indiana Republican, wrote me as Congress adjourned after a long and difficult session. In his letter to me CHARLIE HALLECK says: "I want to express my deep appreciation for your cooperation and commend you for the significant contribution you have made in the Congress."

I hope to see as many of you as possible this fall.

Sincerely,

PHIL WEAVER,
Representative in Congress,
First District, Nebraska.

The People of California's First District Express Their Views on Issues Before Congress

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EXTENSION OF REMARKS
OF

HON. CLEM MILLER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 27, 1961

Mr. CLEM MILLER. Mr. Speaker, I would like to invite the attention of my colleagues to the results of my 1961 questionnaire to the people of my district on issues before the Congress.

A copy of my annual questionnaire is mailed to each family in California's First Congressional District which includes a registered voter. Again this year the response was heartening and most instructive to me.

Almost all of the questions involve issues that are either continuing concerns of this body or legislative proposals that are listed among our unfinished business for the second session beginning next January.

The questionnaire contained 12 questions; multiple-choice responses were offered to be checked and further remarks were invited. The responses to any one question do not add to 100 percent because more than one response often was checked.

The first question asked my constituents for what national needs "Would you be willing to sacrifice, even if it meant increasing your own taxes?" Fifty-one percent said they would so sacrifice to strengthen our Armed Forces; 35 percent to strengthen civil defense; 34 percent to retrain unemployed workers; 29 percent to increase outer space efforts; 28 percent to increase economic assistance to developing nations; and 27 percent to step up U.S. Information Agency broadcasts overseas. Six percent checked "None of them."

Concerning how to help finance improved health care for the aged, 49 percent favored the social security approach and 27 percent favored this approach but felt present coverage is inadequate. Twenty percent opposed the social security approach; 11 percent said "no Federal involvement" and 11 percent said existing public and private programs are meeting the problem.

There were three questions on education. The first: "Should Congress grant Federal funds to the States to help local school districts pay costs of public schools?" Thirty-two percent said yes and 20 percent checked "yes, reluctantly, because the need is so great." Twenty-nine percent said no, and 20 percent checked "no, because financing of education is entirely a local and State problem." Twenty percent approved Federal aid for construction only; 6 percent for operating costs only.

Forty-nine percent favored Federal grants to the States for college scholarships to able and needy high school graduates; 21 percent opposed this. Thirty-six percent favored tax credit to parents for dependents' college costs; 14 percent said higher-education financing should be no concern of the Federal Government.

Fifty-eight percent opposed expansion of National Defense Education Act to include classroom-construction loans to private schools; 17 percent favored this. Thirty percent said this would be wrong in principle; 24 percent would decide this on the basis of relative need and national interest, not as a church-state issue.

Only 3 percent would have continued existing farm programs; 37 percent said some new approach must be tried. Twenty-three percent said they did not know enough about the administration's proposed marketing order approach to express an opinion on it; 21 percent said it sounded like a good idea; 14 percent, like a poor idea. Thirteen percent said no farmer should have to comply to any farm programs; 8 percent said Government should not be concerned about crop surpluses, and 23 percent would eliminate all farm programs.

Sixty-three percent said Congress should finance this year's additional defense costs by closing tax loopholes; 19 percent would do it by increasing taxes and 5 percent by borrowing. Forty-four percent said we must do now whatever is necessary to defend West Berlin and pay for it later if need be; 21 percent said spending in any one fiscal year should not exceed revenues under any circumstances.

Thirty-one percent said they favored three of the current proposals to close income tax loopholes; 23 percent said they did not. Forty-five percent would limit deductible business entertainment expenses; 10 percent favored withholding of taxes on stock dividends; 9 percent favored withholding of taxes on interest.

Two percent said conservation and development of national forests and Federal public lands should be decreased; 42 percent would increase such work. Forty-four percent said future management of the natural resources of these lands should emphasize fish and wildlife uses; 41 percent, outdoor recreation; 42 percent, water; 33 percent, timber; 23

percent, grazing; 12 percent, mining, and 28 percent, all compatible uses.

On foreign aid, 49 percent said our allies should carry a heavier share of the burden of assisting developing nations; 39 percent would continue foreign aid only if the countries involved make internal reforms; 29 percent approved loans only, not grants. Eighteen percent feel we should put foreign aid on a long-range basis; 15 percent would reduce the program; 14 percent would continue it on a year-to-year basis and 9 percent would eliminate it altogether. Ten percent would not help neutral countries. Eighteen percent favored economic aid only; 5 percent, military aid only.

Concerning the relationship between military spending and spending for civil functions of Government, 41 percent would encourage economic growth to make more funds available for both at present tax rates. Fourteen percent would increase military spending and 12 percent would cut back on civil spending; 10 percent would both cut military and increase civil spending. Twenty-two percent suggested specific ways in which military costs might be reduced and 16 percent made money-saving suggestions for the Federal Government's civil functions. I am forwarding a number of these suggestions to officials of the executive departments and agencies involved and to the chairmen of the appropriate committees of the Congress.

Press of Nation Acclaims Classics of Democracy Program

EXTENSION OF REMARKS
OF
HON. BARRATT O'HARA
OF ILLINOIS
IN THE HOUSE OF REPRESENTATIVES
Wednesday, September 27, 1961

Mr. O'HARA of Illinois. Mr. Speaker, I am extending my remarks to include an article written by A. Mervyn Davis in the St. Louis (Mo.) Sunday Post-Dispatch on the classics of democracy program concerning which the Committee on Foreign Affairs on page 6 of its report on the mutual security bill of 1961 said:

CLASSICS OF AMERICAN DEMOCRACY PROGRAM

The committee is pleased with the progress of what has been termed the "classics of American democracy" program. When this program was inaugurated, works such as "The Federalist," which had inspired our forefathers, were unavailable in translated editions. Under the classics of American democracy program they have been translated into upward of 50 languages and dialects and made available to the peoples of new and developing nations at the grassroots. Perhaps no program has been more successful in winning the hearts and the minds of the peoples of the new emerging nations. The committee strongly recommends the continuance and expansion of this program.

I am pleased and heartened by the acclaim with which the program has been received, not only by the great Committee on Foreign Affairs of this House, but by the press of the Nation. Mr. Davies' article in the St. Louis Sunday Post-Dispatch, follows:

SPREADING THE IDEAS OF DEMOCRACY—FAVORABLE EFFECT OF AMERICAN CLASSICS ON FOREIGN READERS

(By A. Mervyn Davies)

The statement is commonly made that America's foreign aid program proves that we are a materialistic nation unaware of, or indifferent to, the intangibles of the mind and the heart. We resent the charge, we know it is untrue, but we cannot always bring to mind facts to refute it. The little publicized classics of democracy publishing program, conducted by the U.S. Information Agency, is one of the refutations that deserves to be far better known than it is. For it is one way we can give ideological assistance to the free world without bragging, without strings, without, in fact, drawing any unfavorable reactions whatever.

The fact that our Communist enemies have not confined their own foreign aid to military and economic kinds but have flooded the bookstands of the world with cheap paperbacks of their classics, so that the writings of Lenin, Stalin, Mao and Marx have been rivaling the Bible in distribution, helped greatly to get this program started.

The project began in 1954 when Representative BARRATT O'HARA, Democrat, of Illinois, inspired by information given him by one of his constituents, drew Congress attention to a startling fact: There were no copies available anywhere in the world at a grassroots level of the classics of our own form of government, the writings that helped create our democracy.

"The Federalist Papers," for instance, in which Madison, Hamilton, and Jay expounded the rationale of a federal republic and of the just completed U.S. Constitution, were found not to be in print in any language other than English, and furthermore, in all the years since their publication no edition had ever been published in any Asian language and there had been complete editions in only three of the languages of the West.

The upshot of O'HARA's proposal was that USIA was then directed to publish for nominal prices in the principal languages of the world a small library of basic statements of democratic political philosophy.

In the progress report he made to Congress on September 1, 1960, O'HARA said the success of the program had been tremendous. He termed it "the most significant development in our changing world in recent years." A House committee report of August 4, 1961, agreed with this estimate. "Perhaps no program," it said, "has been more successful in winning the hearts and minds of the new emerging nations." And it strongly recommended its continuance and expansion.

An idea of the scope of the program thus far, which is expanding year by year, may be gained from these figures. Some 35 titles have now been published and over a million copies have been sold. The "Autobiography of Benjamin Franklin" in the past year has been translated into 20 languages, with editions ranging from 1,000 to 12,000. Thoreau's "Walden" is in 11 languages, with editions of 1,000 to 15,000. Judge Learned Hand's "Spirit of Liberty," is in seven languages; "Selected Writings" of Thomas Paine in eight. These are just a few examples, taken from the latest report.

Some of the results have been exciting. For instance the U.S. consulate at Damascus reported excellent reception in Syria of the great English classic, "On Liberty," by John Stuart Mill, even while U.S. troops were occupying Lebanon. It was reviewed in six Damascus newspapers; and bought by Syrian university professors and students.

Still more noteworthy was the success in the following year of the Arabic edition of the unabridged "Federalist Papers." An excellent translation was made by Jamal Mohammed Ahmed, now Sudanese Ambassador to Ethiopia and an intellectual and political leader of his country. The publisher was Franklin Publications, a commercial venture which is operated by a consortium of American publishers with the express purpose of making American books more widely available abroad. The translator recommended that the work be universally used in Arab high schools and colleges.

Similar results have been obtained with other editions. Thus, the "Federalist Papers," previously unavoidable in German, is now in use in courses in six German universities.

The deficiencies in the program are readily admitted by its friends. They complain that it has gone too slowly and some of it is too expensive. They point out that Mill's "On Liberty," for instance, is available as yet only in its English and small (4,000) Arabic edition, that "The Federalist" is available only in a few languages and that the process of translating it into more goes very slowly.

Obviously, there are opportunities for widening the program. It could be extended to include literary classics as well as standard works on the workings of democracy. Jefferson, Adams, and Madison, in particular, it has been suggested, could provide invaluably suggestive guides to the solution of fundamental problems which new nations are facing as they try to organize themselves as democratic societies.

The USIA has been a controversial agency from birth. But in this area of its activities at least, it surely cannot be making a mistake. Many people have stubbed their toes trying to answer the question, What is America? The difficulties of the agency have largely revolved around the many different answers, that can and have been given. Dean Acheson supplied the voice with this high aim, "To cover the earth with truth"; but how many latter-day Pilates have sadly or scornfully asked, "What is truth?"

One kind of truth that is indisputable is the one represented by this "classics of democracy" program. For it is neither cold war nor that ambiguous, and often embarrassing, thing called "Life in the U.S.A." It is not even purely American as we share our democracy and our classics with other nations. What we are giving is, moreover, genuine aid in that we are sharing our intellectual tools, the tools that helped to give us our own freedom. As Representative O'HARA puts it, we are making available a "sort of Bible for the politics of our civilization," and that is the kind of propaganda that pays the biggest dividends.

It is a truism that the most important events and developments are not always those that hit the headlines. Often they have neither dateline nor byline and are not occurrencies that can be dealt with in yearbook or encyclopedia. They may even pass unnoticed for a century, when their importance at length becomes apparent. This may be the case with Mr. O'HARA's "classics of democracy," and all honor and thanks are therefore due to its initiator who at the age of 79 is still sponsoring it. There is no telling now how far reaching in its effect this program ultimately will prove.

ENROLLED BILLS AND JOINT RESOLUTION SIGNED SUBSEQUENT TO SINE DIE ADJOURNMENT

Pursuant to Senate Concurrent Resolution 54, agreed to September 26, 1961, the President pro tempore, on September 28, 1961, signed the following enrolled bills and joint resolution, which had previously been signed by the Speaker pro tempore of the House of Representatives:

S. 1292. An act to amend the act of June 19, 1918, relating to the workweek of the Fire Department of the District of Columbia, and for other purposes;

H.R. 84. An act to stabilize the mining of lead and zinc by small domestic producers on public, Indian, and other lands, and for other purposes;

H.R. 3572. An act to place in trust status certain lands on the Crow Creek Indian Reservation in South Dakota, and for other purposes;

H.R. 3575. An act to authorize longer term leases of Indian lands on the Dania Reservation in Florida;

H.R. 8320. An act to amend the Freeport Harbor project, Texas;

H.R. 8876. An act to amend the Internal Revenue Code of 1954 to permit the use of identifying numbers;

H.R. 9033. An act making appropriations for foreign assistance and related agencies for the fiscal year ending June 30, 1962, and for other purposes;

H.R. 9053. An act to amend title II of the National Defense Education Act of 1958 with respect to the periods for which loans under that title are made;

H.R. 9076. An act making appropriations for civil functions administered by the Department of the Army, certain agencies of the Department of the Interior, the Atomic Energy Commission, the Tennessee Valley Authority, and certain study commissions, for the fiscal year ending June 30, 1962, and for other purposes;

H.R. 9169. An act making supplemental appropriations for the fiscal year ending June 30, 1962, and for other purposes; and

S.J. Res. 144. Joint resolution fixing the beginning of the 2d regular session of the 87th Congress.

ENROLLED BILL AND JOINT RESOLUTION PRESENTED

The Secretary of the Senate on September 28, 1961, presented to the President of the United States the following enrolled bill and joint resolution:

S. 1292. An act to amend the act of June 19, 1918, relating to the workweek of the Fire Department of the District of Columbia, and for other purposes; and

S.J. Res. 144. Joint resolution fixing the beginning of the second regular session of the 87th Congress.

APPROVAL OF SENATE BILLS AND JOINT RESOLUTIONS SUBSEQUENT TO SINE DIE ADJOURNMENT

The President of the United States, subsequent to sine die adjournment of the Senate, notified the Secretary of the Senate that on the following dates he had approved and signed the following bills and joint resolutions:

On September 26, 1961:

S. 29. An act for the relief of Ok Nyu Chol (Ann Wollmar);

S. 158. An act to confer upon the domestic relations branch of the municipal court for the District of Columbia jurisdiction to hear and determine the petition for adoption filed by Marie Taliaferro;

S. 262. An act for the relief of Constantinos Georgiou Stavropoulos;

S. 263. An act for the relief of Guisseppe Glorioso;

S. 264. An act for the relief of Mr. and Mrs. Franklin Leong;

S. 547. An act for the relief of Young Jei Oh and Soon Nee Lee;

S. 553. An act for the relief of Olga G. Coutsoubinas and Spyridon G. Coutsoubinas;

S. 976. An act for the relief of Maria Trela Terpak;

S. 1355. An act for the relief of Helen Haroian;

S. 1787. An act for the relief of Giovanna Vitiello;

S. 1990. An act to amend section 1362 of title 18 of the United States Code so as to further protect the internal security of the United States by providing penalties for malicious damage to certain communications facilities;

S. 2237. An act to amend the Immigration and Nationality Act; and for other purposes; and

S. 2325. An act to amend the Export-Import Bank Act of 1945.

On October 3, 1961:

S. 592. An act for the relief of Nishan Der Simonian;

S. 902. An act to amend the Small Business Investment Act of 1958, and for other purposes;

S. 1053. An act for the relief of David Lew Huie;

S. 1234. An act for the relief of Max Haleck;

S. 1537. An act for the relief of Mrs. Renee Deri;

S. 1585. An act for the relief of Margherita Ferrelli D'Amico;

S. 1750. An act to strengthen the Federal Firearms Act;

S. 1786. An act for the relief of Heripsime Hovnanian;

S. 1880. An act for the relief of Johann Czernopolsky;

S. 1906. An act for the relief of Fares Salem Salman Hamarneh;

S. 1927. An act to amend further the Federal Farm Loan Act and the Farm Credit Act of 1933, as amended, and for other purposes;

S. 1947. An act for the relief of Annemarie Herrmann;

S. 2070. An act for the relief of Kabalan Farris;

S. 2118. An act for the relief of Dr. John Lopinto Arzaga;

S. 2272. An act to disclaim interest in certain rights in certain lands in the State of Nevada; and

S. 2393. An act to extend for 2 additional years the expired provisions of Public Laws 815 and 874, 81st Congress, and the National Defense Education Act of 1958, and for other purposes.

On October 4, 1961:

S. 302. An act to amend the act of June 22, 1948, as amended, relating to certain areas within the Superior National Forest, in the State of Minnesota, and for other purposes;

S. 558. An act to amend the acts of March 3, 1901, and June 28, 1944, so as to exempt the District of Columbia from paying fees in any of the courts of the District of Columbia;

S. 564. An act to provide for apportioning the expense of maintaining and operating the Woodrow Wilson Memorial Bridge over the Potomac River from Jones Point, Virginia, to Maryland;

S. 739. An act to amend the Civil Service Retirement Act with respect to interest earnings on special Treasury issues held by the civil service retirement and disability fund, with respect to employees of agricultural stabilization and conservation county committees, and with respect to certain other categories of persons subject to such act, and for other purposes;

S. 1040. An act to abolish the Federal Farm Mortgage Corporation, and for other purposes;

S. 1107. An act to provide a 2-year extension of the existing provision for a minimum wheat acreage allotment in the Tulelake area of California;

S. 1186. An act to facilitate the protection of consumers of articles of merchandise composed in whole or in part of gold or silver from fraudulent misrepresentation concerning the quality thereof, and for other purposes;

S. 1440. An act to amend the act approved July 14, 1960 (74 Stat. 526), relating to the establishment of a register in the Department of Commerce of certain motor vehicle operators' licenses;

S. 2102. An act to redesignate the Jefferson Division of the Eastern District of Texas as the Marshall Division;

S. 2295. An act to amend the act entitled "An act for the organization, improvement, and maintenance of the National Zoological Park," approved April 30, 1890;

S. 2396. An act for the relief of the State of Louisiana;

S. 2397. An act authorizing the National Capital Transportation Agency to carry out part 1 of its transit development program and to further the objectives of the act approved July 14, 1960 (74 Stat. 537);

S. 2476. An act to amend section 207 of the Military Construction Act of 1960 in order to clarify the authority granted under such section to the Secretary of the Navy to exchange certain lands owned by the United States for lands owned by the State of Oregon;

S.J. Res. 51. Joint resolution authorizing the creation of a commission to consider and formulate plans for the construction in the District of Columbia of an appropriate permanent memorial to the memory of Woodrow Wilson;

S.J. Res. 66. Joint resolution to amend the joint resolution providing for membership and participation by the United States in the Inter-American Children's Institute; and

S.J. Res. 144. Joint resolution fixing the beginning of the 2d regular session of the 87th Congress.

On October 5, 1961:

S. 1292. An act to amend the Act of June 19, 1948, relating to the workweek of the Fire Department of the District of Columbia, and for other purposes;

S. 1728. An act to amend section 510 of the Merchant Marine Act, 1936, to provide for the trade-in of obsolete vessels in connection with the construction of new vessels, either at the time of executing the construction contract or at the time of delivery of the new vessel; and

S. 1942. An act for the relief of the State of New Hampshire.

EXTENSION OF NATIONAL DEFENSE EDUCATION ACT OF 1958

The President also notified the Secretary of the Senate that on October 3, 1961, he had approved and signed the act (S. 2393) to extend for 2 additional years the expired provisions of Public Laws 815 and 874, 81st Congress, and the National Defense Education Act of 1958, and for other purposes, and transmitted his reasons therefor, as follows:

STATEMENT BY THE PRESIDENT

It is with extreme reluctance that I am signing S. 2393, which extends for 2

years: (1) the National Defense Education Act of 1958 and (2) the expired provisions of Public Laws 815 and 874 of the 81st Congress, which provides Federal assistance to "federally impacted" schools—districts furnishing free public education to children whose parents reside or work on Federal property, or whose presence due to other Federal activity causes a sudden and substantial increase in enrollment.

(1) The extension of the NDEA without the amendments submitted by this administration merely continues the current program, without urgently needed improvements, for 2 more years—years which are crucial to the training of more teachers and the strengthening of this Nation's teaching of science, mathematics, foreign language and other essential subjects. Particularly undesirable is the continuation of the discriminatory and ineffective non-Communist disclaimer affidavit. I hope the Congress can renew its consideration of these NDEA amendments next year, regardless of the new expiration date.

(2) Far more undesirable is the continuation for 2 more years of the current aid to impacted areas program, which gives more money to more schools for more years than either logic or economy can justify. This administration recommended a reduction in the cost of this program, an increase in its eligibility requirements and local participation, its extension for only 1 year instead of 2, and its eventual absorption in a general aid-to-education program. The rejection of all of these requests highlights the air of utter inconsistency which surrounds this program.

Communities which beseeched the Federal Government to maintain nearby installations, however uneconomical, now demand that the Federal Government rescue them from the fiscal burdens these installations allegedly create. School districts originally entitled to temporary Federal assistance, during a transition period in which the costs of these federally connected children could be absorbed, now demand that the aid be continued indefinitely, without any reduction for absorption, and without regard to the local taxes paid by those parents who entered the community to work on, but not reside on, Federal property. Individuals who profess opposition to Federal aid to education on grounds of States rights, racial or religious controversy, budgetary economy, or academic freedom do not hesitate to demand this Federal aid to build schoolhouses and pay teachers' salaries in their own areas.

I am not unmindful of the problems this program is designed to meet: overcrowded and hazardous classrooms in communities whose financial resources are strained to educate these federally connected children. But I believe that overcrowded and hazardous classrooms are undesirable anywhere, whether filled by the children of Federal employees or by the children of other Federal taxpayers, and whether the local resources are strained by the location of a Federal facility or by any other cause. A quality education is a necessity for all American children, not merely those who by good fortune live in a district covered by this program.

It ill becomes those who insist that we cannot afford the expenditure of Federal funds to aid the public education of all children, to insist with equal fervor upon the passage of this unsound and uneconomical measure which aids the education of only some.

The Department of Health, Education, and Welfare advises me that a refusal to extend this program at this time, thus deferring action until the next session of the Congress, would jeopardize the entire educational effort of a substantial number of school districts dependent in large measure on these funds, and unable to find substitute sources of revenue in time to meet current outlays. Many districts are legitimately in need of this aid in order to educate a substantial majority of their students whose parents both reside and work on tax-exempt Federal property. A veto would not distinguish between those properly entitled to this assistance and those who should be making more of an effort locally. I am therefore signing this bill. But the need to improve the standards of education in this country will still be before the Congress next year; and that need must be met on a basis which, for every dollar spent, goes much further to attack our most critical deficiencies than the measure I am required to approve today.

SENATE BILL DISAPPROVED AFTER SINE DIE ADJOURNMENT

The President of the United States, subsequent to sine die adjournment of the Senate, notified the Secretary of the Senate that, on October 3, 1961, he had disapproved a bill of the Senate of the following title, together with his reason for such action:

AMENDMENT OF PROVISIONS OF LAW RELATING TO LONGEVITY STEP INCREASES FOR POSTAL EMPLOYEES

MEMORANDUM OF DISAPPROVAL

I am withholding my approval from S. 1459, a bill to amend the provisions of law relating to longevity step increases for postal employees.

While the supporters of this legislation are well-intentioned and its objectives sound—improvement of the within-grade provisions of the postal pay structure, and better correlation of these provisions with the related provisions affecting employees paid under the Classification Act—this bill does not achieve these objectives, despite its $60 million annual cost. Moreover, the Congress failed to provide—through enactment of the postal rate increases recommended by this administration and its predecessor—the revenues necessary to cover the current postal deficit, much less a deficit of even greater magnitude. Without new revenues this bill would increase the postal deficit to over $800 million.

The classified and postal pay structures, including the longevity and within-grade provisions are in need of extensive revision, and will receive the sympathetic consideration of this administration, with recommendations to be forthcoming at the next session of the Congress. The reforms needed are fundamental and sweeping and will require the most careful consideration by both the executive branch and the Congress. However, budgetary needs are too urgent to permit approval of this measure unattended by revenue increases, at this time.

JOHN F. KENNEDY.

THE WHITE HOUSE, *October 3, 1961.*

AMENDMENT OF WAR CLAIMS ACT, OF 1948, RELATING TO PROVISION FOR CERTAIN WORLD WAR II LOSSES—INDIVIDUAL VIEWS (PART 2 OF S. REPT. NO. 1112)

Under authority of the order of the Senate of September 22, 1961, Mr. KEATING, from the Committee on the Judiciary, submitted individual views of himself and Mr. HART to accompany the bill (S. 2618) to amend the War Claims Act of 1948, as amended, to provide for certain World War II losses, which were printed.

PROPOSED CONSTITUTIONAL AMENDMENT RELATING TO EQUAL RIGHTS FOR MEN AND WOMEN—ADDITIONAL COSPONSORS OF JOINT RESOLUTION

Under authority of the order of the Senate of September 25, 1961, the names of Senators CASE of South Dakota, SMITH of Maine, BOGGS, MCCARTHY, MUNDT, FULBRIGHT, HUMPHREY, MILLER, CAPEHART, LONG of Hawaii, WILLIAMS of Delaware, BUTLER, CURTIS, KUCHEL, and NEUBERGER were added additional cosponsors of the joint resolution (S.J. Res. 142) proposing an amendment to the Constitution of the United States relative to equal rights for men and women, introduced by Mr. MCGEE on September 22, 1961.

BILLS AND JOINT RESOLUTIONS APPROVED AFTER SINE DIE ADJOURNMENT

The President, subsequent to the sine die adjournment of the Congress, notified the Clerk of the House that on the following dates he had approved and signed bills and joint resolutions of the House of the following titles:

On September 27, 1961:

H.J. Res. 225. Joint resolution to create a regional agency by intergovernmental compact for the planning, conservation, utilization, development, management, and control of the water and related natural resources of the Delaware River Basin, for the improvement of navigation, reduction of flood damage, regulation of water quality, control of pollution, development of water supply, hydroelectric energy, fish and wildlife habitat, and public recreational facilities, and other purposes, and defining the functions, powers, and duties of such agency.

On September 29, 1961:

H.J. Res. 542. Joint resolution relating to the admission of certain adopted children.

On September 30, 1961:

H.R. 9033. An act making appropriations for foreign assistance and related agencies

for the fiscal year ending June 30, 1962, and for other purposes;

H.R. 9076. An act making appropriations for civil functions administered by the Department of the Army, certain agencies of the Department of the Interior, the Atomic Energy Commission, the Tennessee Valley Authority and certain study commissions, for the fiscal year ending June 30, 1962, and for other purposes;

H.R. 9096. An act to amend the antitrust laws to authorize leagues of professional football, baseball, basketball, and hockey teams to enter into certain television contracts, and for other purposes; and

H.R. 9169. An act making supplemental appropriations for the fiscal year ending June 30, 1962, and for other purposes.

On October 3, 1961:

H.R. 84. An act to stabilize the mining of lead and zinc by small domestic producers on public, Indian, and other lands, and for other purposes;

H.R. 1507. An act for the relief of Capt. Jacob Haberle;

H.R. 2010. An act to amend title V of the Agricultural Act of 1949, as amended, and for other purposes;

H.R. 2279. An act to provide for the withdrawal from the public domain of certain lands in the Granite Creek area, Alaska, for use by the Department of the Army at Fort Greely, Alaska, and for other purposes;

H.R. 3132. An act for the relief of Lucille Collins;

H.R. 3401. An act for the relief of Salvatore Cairo;

H.R. 4917. An act for the relief of Albany County, N.Y.;

H.R. 5343. An act to amend section 5021 of title 18, United States Code;

H.R. 5754. An act to carry into effect a provision of the Convention of Paris for the Protection of Industrial Property as revised at Lisbon, Portugal, October 31, 1958;

H.R. 6775. An act to amend the Shipping Act, 1916, as amended, to authorize ocean common carriers and conferences thereof serving the foreign commerce of the United States to enter into effective and fair dual-rate contracts with shippers and consignees, and for other purposes;

H.R. 6834. An act to amend section 35 of title 18, United States Code;

H.R. 7259. An act to waive section 142 of title 28, United States Code, with respect to the U.S. District Court for the Western District of Louisiana, Lafayette Division, holding court at Lafayette, La.; and

H.R. 8871. An act to amend the Federal Employees' Compensation Act of 1960.

On October 4, 1961:

H.R. 468. An act to amend section 1073 of title 18, United States Code, the Fugitive Felon Act;

H.R. 470. An act to amend sections 1 and 3 of the Foreign Agents Registration Act of 1938, as amended;

H.R. 1777. An act to amend title 18 of the United States Code to prohibit the transportation of fraudulent State tax stamps in interstate and foreign commerce, and for other purposes;

H.R. 2181. An act for the relief of Kim Dom Yong;

H.R. 2640. An act for the relief of Yoko Takayashiki;

H.R. 2730. An act to repeal section 791 of title 18 of the United States Code so as to extend the application of chapter 37 of title 18, relating to espionage and censorship;

H.R. 2732. An act to amend section 303(c) of the Career Compensation Act of 1949 to authorize the Secretaries concerned to prescribe a reasonable monetary allowance for the transportation of house trailers or mobile dwellings;

H.R. 3019. An act to provide for the construction of a fireproof annex building for use of the Government Printing Office, and for other purposes;

H.R. 3572. An act to place in trust status certain lands on the Crow Creek Indian Reservation in South Dakota, and for other purposes;

H.R. 3575. An act to authorize longer term leases of Indian lands on the Dania Reservation in Florida;

H.R. 3587. An act to provide outpatient medical and dental treatment for veterans of the Indian wars on the same basis as such treatment is furnished to veterans of the Spanish-American War, and to extend the time within which certain children eligible for benefits under the War Orphans Educational Assistance Act of 1956 may complete their education;

H.R. 4317. An act to amend the Internal Revenue Code of 1954 and incorporate therein provisions for the payment of annuities to widows and certain dependents of the judges of the Tax Court of the United States, and for other purposes;

H.R. 4357. An act to increase monthly disability and death compensation payable pursuant to the War Hazards Compensation Act;

H.R. 4682. An act to authorize the Secretary of Agriculture to sell and convey certain lands in the State of Iowa;

H.R. 4750. An act to amend section 6(a) of the Virgin Islands Corporation Act;

H.R. 4797. An act for the relief of certain aliens;

H.R. 5490. An act to provide for more effective participation in the Reserve components of the Armed Forces, and for other purposes;

H.R. 6122. An act for the relief of Maria Luisa Reis nee Loys;

H.R. 6668. An act to amend title 10, United States Code, with respect to annuities based on retired or retainer pay, and for other purposes;

H.R. 7377. An act to increase the limitation on the number of positions which may be placed in the top grades of the Classification Act of 1949, as amended, to provide certain additional research and development positions, and for other purposes;

H.R. 7391. An act to promote the conservation of migratory waterfowl by the acquisition of wet lands and other essential waterfowl habitat, and for other purposes;

H.R. 7657. An act to amend chapter 47 (Uniform Code of Military Justice) of title 10, United States Code, to provide a specific statutory authority for prosecution of bad check offenses;

H.R. 7726. An act to authorize the loan of naval vessels to friendly foreign countries and the extension of certain naval vessel loans now in existence;

H.R. 7854. An act to modify the project for the Duluth-Superior Harbor, Minn. and Wis., to provide for the abandonment of the 21st Avenue West Channel, and for other purposes;

H.R. 7888. An act to amend the Flood Control Act of 1958 to extend the time within which land in certain reservoir projects in Texas may be reconveyed to the former owners thereof;

H.R. 7890. An act to authorize the Postmaster General to dispose of certain land, and for other purposes;

H.R. 8099. An act to amend section 109 of the Federal Property and Administrative Services Act of 1949, as amended, so as to remove the limitation on the maximum capital of the general supply fund;

H.R. 8383. An act to further amend section 201(i) of the Federal Civil Defense Act of 1950, as amended, and for other purposes;

H.R. 8444. An act to amend the act of August 12, 1955, relating to elections in the District of Columbia;

H.R. 8558. An act to amend section 303(a) of title 23, United States Code, relating to the organization of the Bureau of Public Roads, and for other purposes;

H.R. 8765. An act to amend and clarify the reemployment provisions of the Universal Military Training and Service Act, and for other purposes;

H.R. 8958. An act to remove the present $5,000 limitation which prevents the Secretary of the Air Force from settling certain claims arising out of the crash of a U.S. Air Force aircraft at Midwest City, Okla.;

H.J. Res. 453. Joint resolution relating to deportation of certain aliens;

H.J. Res. 459. Joint resolution to provide for the preservation and protection of certain lands in Prince Georges and Charles Counties, Md., and for other purposes; and

H.J. Res. 569. Joint resolution to waive certain provisions of the Atomic Energy Act of 1954 so as to permit the agreement for cooperation between the United States and France to be made immediately effective.

On October 5, 1961:

H.R. 4998. An act to assist in expanding and improving community facilities and services for the health care of aged and other persons, and for other purposes;

H.R. 6845. An act to amend title 14 of the United States Code to provide for an expansion of the functions of the Coast Guard;

H.R. 8320. An act to amend the Freeport Harbor project, Texas;

H.R. 8876. An act to amend the Internal Revenue Code of 1954 to permit the use of identifying numbers; and

H.R. 9053. An act to amend title II of the National Defense Education Act of 1958 with respect to the periods for which loans under that title are made.

HOUSE BILL DISAPPROVED AFTER SINE DIE ADJOURNMENT

The message further announced that the President had disapproved a bill of the House of the following title:

INCOME TAX TREATMENT OF CERTAIN LOSSES SUSTAINED IN CONVERTING FROM STREET RAILWAY TO BUS OPERATIONS

I am withholding my approval from H.R. 8652 relating to the income tax treatment of certain losses sustained in converting from street railway to bus operations.

Although the bill is drafted in general language, it is designed for the relief of one taxpayer, the Twin City Rapid Transit Co., of Minneapolis, Minn. Under present law, taxpayers are allowed a 3-year carryback and a 5-year carryforward of the net operating losses of a given year. The bill would permit Twin City Rapid Transit Co. an additional 5-year carryforward period commencing in 1960 in which to deduct certain losses sustained in converting from street railway to bus operations.

The losses were incurred in 1953 and 1954, when the company was managed by officers who were subsequently found guilty of conspiracy to defraud the company. The position of the company is, in essence, that the management converted rapidly from a street railway to a bus system in order to complete its fraudulent activities quickly, intentionally disregarding the income tax consequences.

I can see no reason for making an exception to the policy of uniform treatment under the net operating loss carryover provisions of the taxing statutes under these circumstances. First, the extent to which tax considerations governed or would have governed the conversion from street railway to bus operations is necessarily uncertain. Secondly, assuming that the fraudulent conduct of the management of the company

made it impossible to deduct all the losses sustained, it would be unfair to shift the consequences of that dereliction to the public through special tax relief. The stockholders of the company were certainly in a better position than the general public to guard against the misconduct of their officials. Thirdly, approval of this legislation is inconsistent with orderly tax administration. It discriminates in the treatment of taxpayers similarly situated and grants relief retroactively.

Although disapproval of this legislation may reduce the ability of the company to postpone or avoid a request for increases in its rates of fare, that fact should not be used to modify the tax system to shift the burden of losses from the taxpayer and the local community to the country as a whole.

JOHN F. KENNEDY.

THE WHITE HOUSE, *October 4, 1961.*

LAWS AND RULES FOR PUBLICATION OF THE CONGRESSIONAL RECORD

CODE OF LAWS OF THE UNITED STATES

TITLE 44, SECTION 181. CONGRESSIONAL RECORD; ARRANGEMENT, STYLE, CONTENTS, AND INDEXES.—The Joint Committee on Printing shall have control of the arrangement and style of the CONGRESSIONAL RECORD, and while providing that it shall be substantially a verbatim report of proceedings shall take all needed action for the reduction of unnecessary bulk, and shall provide for the publication of an index of the CONGRESSIONAL RECORD semimonthly during the sessions of Congress and at the close thereof. (Jan. 12, 1895, c. 23, § 13, 28 Stat. 603.)

TITLE 44, SECTION 182b. SAME; ILLUSTRATIONS, MAPS, DIAGRAMS.—No maps, diagrams, or illustrations may be inserted in the RECORD without the approval of the Joint Committee on Printing. (June 20, 1936, c. 630, § 2, 49 Stat. 1546.)

Pursuant to the foregoing statute and in order to provide for the prompt publication and delivery of the CONGRESSIONAL RECORD the Joint Committee on Printing has adopted the following rules, to which the attention of Senators, Representatives, and Delegates is respectfully invited:

1. *Arrangement of the daily Record.*—The Public Printer shall arrange the contents of the daily RECORD as follows: The Senate proceedings shall alternate with the House proceedings in order of placement in consecutive issues insofar as such an arrangement is feasible, and the Appendix and Daily Digest shall follow: *Provided,* That the makeup of the RECORD shall proceed without regard to alternation whenever the Public Printer deems it necessary in order to meet production and delivery schedules.

2. *Type and style.*—The Public Printer shall print the report of the proceedings and debates of the Senate and House of Representatives, as furnished by the Official Reporters of the CONGRESSIONAL RECORD, in 7½-point type; and all matter included in the remarks or speeches of Members of Congress other than their own words, and all reports, documents, and other matter authorized to be inserted in the RECORD shall be printed in 6½-point type; and all rollcalls shall be printed in 6-point type. No italic or black type nor words in capitals or small capitals shall be used for emphasis or prominence; nor will unusual indentions be permitted. These restrictions do not apply to the printing of or quotations from historical, official, or legal documents or papers of which a literal reproduction is necessary.

3. *Return of manuscript.*—When manuscript is submitted to Members for revision it should be returned to the Government Printing Office not later than 9 o'clock p.m. in order to insure publication in the RECORD issued on the following morning; and if all of said manuscript is not furnished at the time specified, the Public Printer is authorized to withhold it from the RECORD for 1 day. In no case will a speech be printed in the RECORD of the day of its delivery if the manuscript is furnished later than 12 o'clock midnight.

4. *Tabular matter.*—The manuscript of speeches containing tabular statements to be published in the RECORD shall be in the hands of the Public Printer not later than 7 o'clock p.m., to insure publication the following morning.

5. *Proof furnished.*—Proofs of "leave to print" and advance speeches will not be furnished the day the manuscript is received but will be submitted the following day, whenever possible to do so without causing delay in the publication of the regular proceedings of Congress. Advance speeches shall be set in the RECORD style of type, and not more than six sets of proofs may be furnished to Members without charge.

6. *Notation of withheld remarks.*—If manuscript or proofs have not been returned in time for publication in the proceedings, the Public Printer will insert the words "Mr. ——— addressed the Senate (House or Committee). His remarks will appear hereafter in the Appendix," and proceed with the printing of the RECORD.

7. *Thirty-day limit.*—The Public Printer shall not publish in the CONGRESSIONAL RECORD any speech or extension of remarks which has been withheld for a period exceeding 30 calendar days from the date when its printing was authorized: *Provided,* That at the expiration of each session of Congress the time limit herein fixed shall be 10 days, unless otherwise ordered by the committee.

8. *Corrections.*—The permanent RECORD is made up for printing and binding 30 days after each daily publication is issued; therefore all corrections must be sent to the Public Printer within that time: *Provided,* That upon the final adjournment of each session of Congress the time limit shall be 10 days, unless otherwise ordered by the committee: *Provided further,* That no Member of Congress shall be entitled to make more than one revision. Any revision shall consist only of corrections of the original copy and shall not include deletions of correct material, substitutions for correct material, or additions of new subject matter.

9. The Public Printer shall not publish in the CONGRESSIONAL RECORD the full report or print of any committee or subcommittee when said report or print has been previously printed. This rule shall not be construed to apply to conference reports.

10(a). *Appendix to daily Record.*—When either House has granted leave to print (1) a speech not delivered in either House, (2) a newspaper or magazine article, or (3) any other matter not germane to the proceedings, the same shall be published in the Appendix. This rule shall not apply to quotations which form part of a speech of a Member, or to an authorized extension of his own remarks: *Provided,* That no address, speech, or article delivered or released subsequently to the sine die adjournment of a session of Congress may be printed in the CONGRESSIONAL RECORD.

10(b). *Makeup of the Appendix.*—The Appendix to the CONGRESSIONAL RECORD shall be made up by successively taking first an extension from the copy submitted by the official reporters of one House and then an extension from the copy of the other House, so that Senate and House extensions appear alternately as far as possible throughout the Appendix. The sequence for each House shall follow as closely as possible the order or arrangement in which the copy comes from the official reporters of the respective Houses.

The official reporters of each House shall designate and distinctly mark the lead item among their extensions. When both Houses are in session and submit extensions, the lead item shall be changed from one House to the other in alternate issues, with the indicated lead item of the other House appearing in second place. When only one House is in session, the lead item shall be an extension submitted by a Member of the House in session.

This rule shall not apply to extensions withheld because of volume or equipment limitations, which shall be printed immediately following the lead items as indicated by the official reporters in the next issue of the CONGRESSIONAL RECORD, nor to RECORDS printed after the sine die adjournment of the Congress.

11. *Estimate of cost.*—No extraneous matter in excess of two pages in any one instance may be printed in the CONGRESSIONAL RECORD by a Member under leave to print or to extend his remarks unless the manuscript is accompanied by an estimate in writing from the Public Printer of the probable cost of publishing the same, which estimate of cost must be announced by the Member when such leave is requested; but this rule shall not apply to excerpts from letters, telegrams, or articles presented in connection with a speech delivered in the course of debate or to communications from State legislatures, addresses or articles by the President and the members of his Cabinet, the Vice President, or a Member of Congress. For the purposes of this regulation, any one article printed in two or more parts, with or without individual headings, shall be considered as a single extension and the two-page rule shall apply. The Public Printer or the Official Reporters of the House or Senate shall return to the Member of the respective House any matter submitted for the CONGRESSIONAL RECORD which is in contravention of this paragraph.

12. *Official Reporters.*—The Official Reporters of each House shall indicate on the manuscript and prepare headings for all matter to be printed in the Appendix, and shall make suitable reference thereto at the proper place in the proceedings.

RECORD OFFICE AT THE CAPITOL

An office for the CONGRESSIONAL RECORD, with Mr. Raymond F. Noyes in charge, is located in Statuary Hall, House wing, where orders will be received for subscriptions to the RECORD at $1.50 per month or for single copies at 1 cent for eight pages (minimum charge of 3 cents). Also, orders from Members of Congress to purchase reprints from the RECORD should be processed through this office.

CONGRESSIONAL DIRECTORY

The Public Printer, under the direction of the Joint Committee on Printing, may print for sale, at a price sufficient to reimburse the expenses of such printing, the current Congressional Directory. No sale shall be made on credit (U.S. Code, title 44, sec. 150, p. 1939).

PRINTING OF CONGRESSIONAL RECORD EXTRACTS

It shall be lawful for the Public Printer to print and deliver upon the order of any Senator, Representative, or Delegate, extracts from the CONGRESSIONAL RECORD, the person ordering the same paying the cost thereof (U.S. Code, title 44, sec. 185, p. 1942).

United States of America

Congressional Record

PROCEEDINGS AND DEBATES OF THE 87th CONGRESS, FIRST SESSION

Vol. 107 WASHINGTON, FRIDAY, OCTOBER 13, 1961 No. 174

Appendix

NOTICE

The last issue of the daily Congressional Record for the first session of the Eighty-seventh Congress will be published not later than Tuesday, October 17, 1961. It is requested that copy and proofs of speeches withheld for revision, or extensions of remarks as authorized by either House, be submitted to the Government Printing Office or to the Congressional Record Clerk, Statuary Hall, Capitol, before that date.

By order of the Joint Committee on Printing.

CARL HAYDEN, Chairman.

Accomplishments, 1st Session, 87th Congress: Report of House Majority Leader

EXTENSION OF REMARKS

OF

HON. JOHN W. McCORMACK

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 27, 1961

Mr. McCORMACK. Mr. Speaker, the 1st session of the 87th Congress has been a hard-working one and a successful one. With the adjournment of this Congress, the Members can feel satisfied with "a job well done." When a President delivers his message on the state of the Union at the outset of a Congress, which usually includes his major and important recommendations, it is understood that such recommendations are for a period of 2 years.

In the 1st session of this Congress, President Kennedy has had remarkable success with his recommendations. His leadership both in the domestic field and in the fields of national defense and foreign affairs have been outstanding.

President Kennedy's record of success during the first session of this Congress is far greater than any President has had for many years. For 34 of his major and important recommendations have been enacted into law by the Democratic controlled Congress, and particularly some domestic legislation against strong opposition of powerful groups both in and out of Congress. In addition, many other bills of importance to various sections of our country have also been enacted into law.

In other words, President Kennedy has seen enacted into law an unusually high percentage of his recommendations.

The important part played in the making of this record is due to the outstanding ability, experience and leadership of our beloved presiding officer, Speaker SAM RAYBURN, one of the great Americans of all time, and the man with the "heart of gold" in his love of his fellow man.

For example, comparing President Kennedy's first session of his first term with the first session in 1953 of the first term of former President Eisenhower, which is a proper comparison, President Kennedy has had enacted into law almost three times as many of his major and important recommendations than had former President Eisenhower, who then had a Republican Congress, as President Kennedy now has a Democratic Congress. In the field of national defense and world affairs, President Kennedy's record is most notable. With reference to legislation relating to these two important fields, I compliment those Members of the House, without regard to party, who gave bipartisan support to President Kennedy. For fortunately in the field of national defense and in the field of a strong and firm foreign policy, the President has a strong Congress supporting him.

When the President assumed office last January, the world situation was most trying and tense. As has been stated:

When President Kennedy assumed office, he was faced with the most trying world situation that has confronted a President in the entire history of our country.

In other words, this was the situation that President Kennedy inherited. He has faced this tense and trying situation with outstanding ability and great courage.

The increase in appropriations for national defense—the action of strength—the only thing the Kremlin respects—in the sum of several billions of dollars, the mutual assistance authorization bill and appropriation bill, the establishment of a permanent Peace Corps, the establishment of the U.S. Arms and Disarmament Agency and other legislation, are illustrations of the courageous leadership of President Kennedy in the related fields of national defense, and of a strong and firm foreign policy, and of the support and cooperation of the Congress.

The world situation is naturally of uppermost concern to the people of our country, and broader, to the people of the free world. We all realize that the cold, sinister, and evil minds of those directing international communism are bent upon world domination and control. Our people recognize the importance of a powerful national defense in order to maintain a firm and strong foreign policy. For our military strength constitutes a powerful force in carrying out effective results in the field of diplomacy for world peace. For our people sense and well know that the only things the Communists respect is what they fear, and that is military strength and power greater than they possess themselves. Therefore, our people realize that expenditures for strong national defense is the premium that we must pay for preservation and for independence and liberty. Our people are willing to make all sacrifices to this end. The leadership of President Kennedy in this respect has been outstanding, and the first session of this Congress has effectively cooperated with the President.

As national defense and foreign policy, without downgrading important domestic matters, are uppermost in the minds of our people, in my report of the 1st session of the 87th Congress, I start out with the major accomplishments of this Congress in connection with these two important related fields.

NATIONAL DEFENSE

The national defense measures which are of primary importance were greatly influenced by President Kennedy's inaugural address, and his address of July 25 on the Berlin crisis, and in consequence of the latter address the President made recommendations for appropriations of an additional several billions of dollars for further national defense over the original budget submitted by him.

On August 17 President Kennedy signed the Department of Defense appropriations bill for fiscal 1962. The total of this bill is $46,662,556,000. This budget provided the largest peacetime budget in our history. It included almost all of the more than $3.4 billion which the President had requested less than a month earlier, and almost a billion dollars in addition to his request. A strong Congress felt that this additional billion dollars were necessary and could be utilized in our national defense.

The additional budget estimates of President Kennedy for increased national defense which the Congress exceeded, were for the increase of all of our Armed Forces, to modernize the weapons system of the Army, increasing our bomber alert sharply, increasing the Polaris program as well as our whole missile programs; in fact, providing for a sharp increase and acceleration of our nuclear capacity. The Congress also strengthened the powers of the President.

In addition, in the supplementary appropriation for 1962, $40 million were provided for procurement, for shipbuilding, and conversion by the Navy.

There is also included in the Defense Department appropriation bill a budget estimate of the President for $207.6 million for a civil defense and a shelter program. This amount was included in the military appropriation bill because of the recent transfer of civil defense functions from the executive office to the Defense Department. The Congress appropriated a full amount of $207.6 million. This a major appropriation, because it is the opening wedge in a very important program of civil defense and shelter for our people that should have been started years ago. Defense Secretary McNamara, in substance, testified that this is merely the first phase of a stepped-up civil defense effort designed to save millions of lives, to be developed on the basis of experience. It was a recognition of the fact that we needed a civil defense program as part of our defense preparations, and as Secretary McNamara said:

We can only pray that, like our armament, we shall never have to use it.

In addition, the Congress appropriated to the Office of Civil Defense Mobilization $86,550,000, for the purchase of emergency supplies and equipment.

There is a further sum of $13 million for the Public Health Service in the Department of Health, Education, and Welfare, for civil defense medical stockpile supply activities.

The action of President Kennedy in recommending additional appropriations in the light of the aggressive attitude of the Kremlin in relation to West Berlin, and the Congress making such appropriations, has the widespread support of our people and our press. For the action taken by President Kennedy and supported by Congress is the action of one of strength, the most effective language that the Communists understand.

In addition, the President recommended and Congress appropriated $951,690,750 for military construction under the Department of Defense.

In addition to the appropriations for defense, the Congress enacted a most important measure giving the President discretionary authority to call up 250,000 members of the Ready Reserves for periods not exceeding 12 months, and to extend the tours of duty of personnel on active duty for periods of up to 12 months. To quote that great American, Congressman CARL VINSON, of Georgia, chairman of the House Armed Services Committee, this measure was "an assurance to the world that we stand firm, determined, united, and ready to make whatever sacrifice is required to preserve our rights, our obligations, and our freedom."

Among other legislation enacted into law relating to our national defense was:

First. A bill providing for the loan of naval vessels to friendly foreign countries and for the extension of certain naval vessel loans.

Second. A bill providing for more effective participation in reserve components of the Armed Forces, chiefly by amending the laws relating to the 6-month training program and participation in the Reserve components.

Third. A bill to authorize appropriations for aircraft missiles and naval vessels for the Armed Forces.

Fourth. A bill to authorize additional appropriations for aircraft in the sum of $958,570,000.

Fifth. A bill to authorize certain construction at military installations both within and outside of the United States in the sum of $893 million and of this total $67,097,750 was authorized for construction of Reserve facilities.

Sixth. A bill to amend and clarify the reemployment provisions of the Universal Military Training and Service Act. This law clarifies and removes any doubts that might arise with regard to the reemployment protection to be accorded certain persons who leave their jobs to enter the Armed Forces in the interest of national defense, as well as correcting other inequities. It also creates an additional 4-year period of service for reemployment rights purposes for persons entering or reentering on active duty after August 1, 1961.

Seventh. A bill to provide for the more effective participation in the Reserve components of the Armed Forces. The basic purpose of this law is to make omnibus amendments to the laws relating to the 6-month training program and participation in the Reserve components. The act contains five major revisions to existing laws relating to the Reserve components and the National Guard.

FOREIGN AID

The Foreign Assistance Act of 1961, which authorizes the appropriations of funds is positive evidence of the interest which the United States has in assisting the peoples and governments of nations throughout the world who are less fortunate than we, and particularly those nations whose people are willing to help themselves and preserving their freedom.

This act is a milestone in the foreign relations of the United States comparable to the legislation authorizing the Marshall plan 13 years ago.

President Kennedy proposed to the American people and to the nations of the world that we undertake together a decade of development in which the industrialized nations would assist the peoples of the newly independent and less-developed nations of the world in their own efforts for peaceful economic and social progress. In order that the United States might undertake a position of leadership in this great program for progress, the President asked the Congress to enact the Foreign Assistance Act of 1961.

The heart of the program for which the President asked was authority for a great program of development loans. In order that it might be clear to the world that the United States is indeed committed to leadership in the decade of development and to provide other nations with the assurances necessary for their own planning, the President asked that the Congress provide authority for the loan program for a period of 5 years and that the Congress also provide the authority necessary to make long-term commitments to the less-developed nations against which they might plan more surely for their own progress.

The Foreign Assistance Act of 1961 provides that authority. For the first time United States development assistance has been put upon an assured basis of 5-year duration. For the first time the Congress has specifically granted the President the authority to give commitments to friendly countries that over a period of 5 years we would provide aid to them in specified amounts. The legislation declares that:

Whenever the President determined that it is important to the advancement of U.S. interests and necessary in order to further the purpose of this title, and in recognition of the need for reasonable advance assurances in the interest of orderly and effective execution of long-term plans and programs of development assistance, he is authorized to enter into agreements committing, under the terms and conditions of this title, funds authorized to be appropriated under this title, subject only to the annual appropriation of such funds.

The conference report on the bill contained this further statement of legislative intent:

It is understood that the conferees regard the language in the bill as authority for the Executive to make commitments which will be honored by the Congress un-

less there is evidence of obvious bad management or the other country has failed to meet its responsibilities.

These terms met with the approval of the administration. On August 29 President Kennedy commented:

The compromise which the Senate-House conferees have worked out is wholly satisfactory. It gives the U.S. Government authority to make commitments for long-term development programs with reasonable assurances that these commitments will be met. In providing 5 years of substantial authorization, the conferees have recognized the magnitude of the need in the developing countries. In insuring specific authority to enter into commitments with these countries the conferees have recognized the necessity for this Government to give assurance that assistance will be forthcoming over a period of years. The agreement reached by the conferees today is an important decision both for the United States and the free world.

While the legislation represented a compromise under which the Congress provided the President with the long-term commitment authority which he had declared essential to U.S. leadership in the world and under which the Congress retained its power over appropriations, nevertheless this is the first time the Congress gave such authority to a President, and this compromise is decidedly in the direction of the recommendations of the President. It is clear that the funds to meet the commitments made by the President must come from appropriations as authorized in the legislation. It is equally clear that the Congress has accepted a moral obligation to appropriate in the future the funds which will be necessary to meet commitments made by the President under the authority granted by the Congress unless there should occur some most unusual and unforeseen reasons by our Government to withhold future appropriations in connection with any commitments that may be made.

For this lending program the Foreign Assistance Act of 1961 authorized appropriations of $1,200 million for the first year and $1,500 million for each of the following 4 years. These funds are to remain available until expended and authorizations unused by appropriations will remain available for future appropriations.

These sums are greater than have ever been previously authorized for development lending yet they are to be considered not as a ceiling but as a floor. The President is invited to return to the Congress in succeeding years to ask additional authorizations and appropriations of funds as he may find required by the interests of the United States. The authorizations of $1,500 million in each of the 4 coming years represent, however, the assurance of the Congress that the President may make commitments for assistance in such future years up to these amounts in the knowledge that the U.S. Congress will honor the commitments by the appropriation of necessary funds.

In order to provide the American aid program with the most effective administration possible the Congress has granted the President authority to establish a unified administration for the whole economic aid program. Programs formerly administered by the International Cooperation Administration, the Development Loan Fund, and otherwise may now be placed under a unified Agency for International Development. The Congress has provided the President with authority to appoint an official with the rank of an Under Secretary of State as Administrator of this new Agency for International Development—AID—reporting directly to the Secretary of State and to the President and having as his assistants two Deputy Directors of the rank of Deputy Under Secretary of State and nine assistant administrators with the rank of Assistant Secretaries of State. This action by the Congress should provide the AID administration with the ability to attract men of the highest caliber to join in the administration of this vital function of our foreign relations.

The new legislation has consolidated former categories of assistance into a new category of supporting assistance. Among other purposes this will assist those nations who in cooperation with our own military assistance program are engaging in military efforts greater than they can support without our help. The new legislation will continue and strengthen the point 4 program originated by former President Truman. It is continued as part of the program of development grants which will be directed toward the strengthening of human resources in developing countries through programs of education, health, and training in many fields essential to the progress of these nations. Development grant funds will help carry forward programs of community development, land reform, agricultural credit, sanitation and health facilities, urban and rural housing, and similar programs fundamental to social progress. New legislation continues the leadership of the United States in the United Nations Technical Assistance and Special Fund. It provides funds for our part in the work of the United Nations to bring order and peace out of chaotic conditions in the Congo. It provides funds to continue the U.S. assistance to the refugees in the Middle East and to help in their resettlement. Contributions are authorized to other United Nations activities such as the Emergency Fund in the Middle East, the Children's Fund, the malaria eradication program of the World Health Organization, the international atomic energy program, and others.

The new legislation authorizes for the first time a program of development research to analyze the problems of development with a thoroughness never before possible and to apply the principles of research, well established in industry, to the more efficient conduct of our economic and social development programs.

The new aid legislation also provides encouragement and incentives to private enterprise never before authorized. It is a basic policy of the administration, which Congress has accepted, to encourage the participation of private enterprise in the effort undertaken by the Government to advance economic growth in the newly developing countries. The new legislation expands existing guarantees and provides for the first time an all-risk guarantee, on any experimental basis, to insure against losses of investment for any reason, up to 75 percent of the investment. The new act also provides newly authorized assistance to private investors in locating investment opportunities. The act is especially mindful of the interest and potential contribution of small business and gives the President specific authority to assist American small business to participate in the program.

The second portion of the new legislation, the International Peace and Security Act, directs our military assistance not only toward protection of the free world from the older forms of Communist bloc aggression, but toward the new and more dangerous forms of Communist aggression: infiltration, and guerrilla warfare, and internal agitation. The legislation authorizes $1,700 million for military assistance and provides for the first time an additional special authority to the President to draw upon defense stocks up to the value of $300 million for military assistance purposes should the vital interests of the United States require it. This is a matter of great importance.

The Foreign Assistance and Related Agencies Appropriation Act, 1962, appropriated, for the foreign aid program, the largest sum made available in 8 years. The total new obligational authority is $3,878 million; together with the carryover of unobligated balances, and $30 million for the newly established Peace Corps, the funds made available total $4,014 million. These funds, though below the President's request, will make possible the vigorous initiation of the decade of development.

If additional funds are necessary before the end of the present fiscal year, the President can submit a supplemental budget and Congress will respond favorably.

In addition, appropriations for foreign assistance programs will be referred to under "Agriculture."

The country and the free world are heartened by the outstanding leadership of President Kennedy—the strength and firmness of his policies and actions.

The President has evidenced such leadership in many ways: his recognition of the world situation by sharply increasing appropriations for our national defense, his firm stand on the Berlin crisis, and only a few weeks ago by his historic address to the General Assembly of the United Nations. As a result of his address, our country has regained leadership throughout the world.

The President's address was a sound appeal to world reason, based on sound logic, expressed with courage in a divided and somewhat frustrated world. He spoke as a statesman looking into the future.

The President's address is the "beacon light" for all who fearlessly seek a future world of peace.

His address was one of deep idealism that should particularly be heeded by and receive in the United Nations the support of all non-Communist nations,

especially small nations and those which have recently emerged from colonialism.

The President's address was also a practical one, as it was a sharp warning to international communism bent on world domination to "stop, look, and listen."

LATIN AMERICAN AID

On May 27 the President signed a bill appropriating $500 million for the inter-American social and economic cooperation program, and $100 million for the Chilean reconstruction and rehabilitation program in fiscal 1961—Public Law 87–41—definite steps to furnish concrete support to his alliance for progress.

This is a program of major importance to President Kennedy in carrying out his far-reaching policy of strengthening our friendship with American nations in Central and South America through loans and grants for economic progress of their people and for political stability and strength. The Congress quickly responded to the request of the President.

Earlier steps had been taken, precedent to the appropriations granted in Public Law 87–41. Congress had authorized the programs in August 1960—Public Law 86–735—and the United States had subscribed to the Act of Bogotá, agreeing to join 18 other American Republics in promoting economic and social development in the Western Hemisphere. On January 18, 1961, former President Eisenhower requested without success $500 million to implement the inter-American social and economic cooperation program. President Kennedy repeated that request, and also asked for $100 million for the Chilean reconstruction and rehabilitation program, in his March 14 message to Congress on Latin America.

The appropriation act of May 27, 1961, contained the following distribution of funds:

First, $394 million to the Inter-American Development Bank to establish a revolving fund for loans for housing, land reform, water and sanitation projects. These loans are payable in the currency of the borrowing nations;

Second, $100 million to the International Cooperation Administration, chiefly for grants for public health and education;

Third, $6 million to the Economic and Social Council of the Organization of American States for assistance in improving economic institutions and conducting long-term national development planning; and

Fourth, $100 million for loans to Chile for reconstruction and rehabilitation of the earthquake-damaged areas of southern Chile.

A new Caribbean Organization—successor to the Caribbean Commission—was accepted by the United States in an act passed during the present session. The agreement for the establishment of the Caribbean Organization was signed June 21, 1960, by France, the Netherlands, the United Kingdom, and the United States. The four countries had been members of the Commission which had served as advisers on economic, social, and cultural matters for the area since the Commission was created in 1946.

The establishment of the new organization gives its members greater stature and demonstrates to the world a process for extending local autonomy.

DOMESTIC LEGISLATION EXTENDED UNEMPLOYMENT COMPENSATION ACT OF 1961

The Democratic Party by its record has always recognized that a strong and virile family life in our country means a strong America. President Kennedy and the Democratic Party can be proud of the legislation passed during the first session that has strengthened the economic outlook of millions of American families. On the domestic front there is no more finer task a political party could be dedicated to than this.

Early in the present session the Congress passed three acts intended to furnish prompt relief to workers out of employment in the recession.

The first major bill proposed by the new Democratic administration to deal with the recession was enacted as the Temporary Extended Unemployment Compensation Act of 1961. An act extending similar benefits to unemployed railroad workers under the Railroad Unemployment Insurance Act supplemented the first measure. A third law authorized temporary grants to the States to finance inclusion of the dependent children of unemployed workers under the Federal-State public-assistance program.

The President's statement on signing the temporary extended unemployment compensation bill contained, in brief form, a summary of the purposes and the effects of its provisions, quoted in part as follows:

> This program will immediately provide economic help for some 700,000 jobless workers and their families whose rights to receive regular unemployment insurance benefits under State law are exhausted. Within the next year it will provide benefit payments to an additional 2½ million workers who are expected to exhaust their benefits.
>
> This Temporary Extended Unemployment Compensation Act will add almost $1 billion to the Nation's purchasing power in the next 15 months. These dollars will be hard-working dollars. They will be spent almost immediately—for food, for shelter, for the bare necessities. These dollars will flow into our stores, into our factories, onto our farms.
>
> This act is important, because it will provide much-needed help to over 3 million American workers and their families. It is important also because it will add hard-working dollars to the Nation's purchasing power. But important as it is, it is but a temporary measure to alleviate an immediate need. We must move forward with other and more permanent programs to invigorate our economy so that our free enterprise system can reach the level of production and employment which is its obligation and which its capacity and tradition promise.

The second measure authorized the Railroad Retirement Board to extend duration of benefits by 50 percent to workers who had exhausted normal benefits under the Railroad Unemployment Insurance Act. It was estimated that 60,000 or more workers would be eligible.

In both measures provision was made for repayment of Federal funds advanced to cover payment of benefits, by increasing temporarily the Federal unemployment taxes levied on employers.

The third act made families of unemployed workers with dependent children temporarily eligible for Federal public assistance payments. It was estimated that about 750,000 children and 250,000 adults would receive benefits during the 14-month duration of the program, at a probable cost of $200 million. Additional costs of $15 million were expected from other provisions of the bill which increased Federal payments for medical aid to public assistance recipients and for aid for children placed in foster homes.

MINIMUM WAGE LEGISLATION

The passage this session of the fair labor standards amendments of 1961 represents one of our most significant actions in the field of domestic legislation. I have long been an advocate of legislation whose purpose is to assure that living wages are paid to all our citizens. During debate on this legislation on the floor this session, I recalled my experiences with our late distinguished Congresswoman Mary T. Norton, of New Jersey, in waging the fight in 1938 for the passage of the first minimum wage law, the Fair Labor Standards Act. The 1961 amendments represent the third time the minimum wage has been raised since the original act was passed. Under the provisions of the act, the minimum wage of persons previously covered was raised from $1 an hour to $1.15 an hour during the first 2 years that the amendment went into effect and to $1.25 an hour thereafter. Persons not previously covered who now came under the act qualified for a slightly different wage scale—$1 an hour during the first 3 years after the amendment went into effect, $1.15 during the fourth year, and $1.25 an hour thereafter. The newly covered persons also qualified for overtime pay on a scale slightly different from that of those already covered.

Several new procedents were established by the 1961 legislation: In the first place, coverage under the law was expanded for the first time since 1938. An estimated 3,624,000 additional workers, most of them in the retail trades, came under the provisions of the law. The inclusion of retail and service workers for the first time was a second precedent. In general, all employees of retail or service enterprises that maintain one or more stores, have an overall gross annual sales volume of $1 million, and buy annually at least $250,000 worth of goods which have been moved in interstate commerce come under the act. Unfortunately, some categories of businesses were specifically exempted and efforts will be made in the future to include them. The introduction of the dollar-volume-of-business test as a criterion was another feature wherein the new legislation differed from the previous law; and finally, the concept of "establishment coverage," whereby all employees of a covered firm came under the law, regardless of whether or not they are personally engaged in activities classified as interstate commerce.

The new minimum wage legislation went into effect on September 3 of this

year. Soon additional millions of workers will see the effects in increased pay envelopes and buying power. As President Kennedy pointed out in a statement issued the day the new law went into effect:

All fair employers know that a minimum wages does not harm the economy, but on the contrary helps eliminate unfair competition. In the months and years to come, I can see important gains for the whole economy resulting from this improvement to the living and working standards of our people.

AGRICULTURE

The legislation classified under the heading of "Agriculture" is, of course, of primary interest to our citizens whose occupation is farming or an industry related to it. Agriculture is the Nation's largest industry and the Congress in every session is deeply concerned with any legislation which affects such an important sector of our economy. But the interest of farmers in these laws is scarcely greater than that of the consumers of their products and of the other great industries—transportation, steel, public utilities, and automobile, nor can urban areas divorce themselves from an interest in agricultural legislation, so-called, as being directed only to rural areas.

So complex and far reaching are the subjects dealt with in this field that no session of Congress ever adjourns with the comfortable feeling that most problems have been solved by their just-concluded work. I know that we have not solved all the problems of agriculture as we adjourn this year, and that we must continue work when we meet again for the 2d session of the 87th Congress next January.

But I do have great pride in what we have been able to accomplish, and by "we" I mean an executive branch and a Congress working together with the same purpose. We can point to at least one concrete evidence in support of our pride. For many years the farm economy has been fighting a cost-price squeeze which now has been rewarded. The index of prices received for farm products rose by almost 2 percent during the month ending August 15 and by 3 percent during the following month. This striking change can be directly attributed to laws passed by the 1st session of the 87th Congress.

Of the many laws dealing with agriculture, particular attention is called to two measures: first, the emergency feed grains program; and, second, the Omnibus Agricultural Act.

Immediately after Congress came into session it was necessary to take up the feed grains problem, becasue the time was not far off when crops must be planted. The enormous surplus of wheat and feed grain, it was feared, would be increased if the 1961 crops were not reduced in some way. Oversupply and low prices were depressing the agricultural industry and, taxpayers were having to pay for holding nearly $4 billion of grains.

Without going into the details of the Feed Grain Act, signed into law on March 22, 1961, its provisions and purposes may be briefly stated. A 1-year emergency program provided specific incentives for farmers to reduce their production of feed grain, making the law of supply and demand work for the farmers. A voluntary cut in acreage and crops of feed grains was provided, with increased price-support payments to participants in the program for certain crops. Farmers responded enthusiastically and feed grains production for 1961 has been brought to a reasonable rate. It is estimated that about $750 million, in 1961, will be added to the 1960 income of producers of corn, grain sorghum, oats, barley, and soybeans.

Having completed the emergency feedgrains program for 1961 early in the spring, attention was directed to the very difficult problem of devising general farm legislation which would be applicable to the 1962 crop. It is impossible to describe in brief space the different, even the clashing, viewpoints of the proponents and opponents expressed during the consideration of this measure. The act which was finally passed and signed by the President on August 8 was described by Representative HAROLD D. COOLEY, of North Carolina, chairman of the House Committee on Agriculture, as "the most important piece of legislation, in the interest of farmers, to be enacted in a decade." Secretary of Agriculture Orville L. Freeman stated that he regarded the act as "the most constructive and promising farm legislation in many years," and President Kennedy called it "a major step toward a sound agricultural economy and a better life for the farmers of the country."

Even a brief summary of the Agricultural Act of 1961 would be too lengthy for inclusion in the present report. Title I, dealing with supply adjustment and price stabilization permits the Secretary of Agriculture to consult with farmers and farm commodity organizations in developing agricultural programs. Producers are permitted to retire up to 40 percent of wheat allotments, 10 percent mandatory and 30 percent voluntary, or 10 acres, whichever is greater. The act establishes payments under the wheat control program at 45 percent for the mandatory reduction and 60 percent for the voluntary reduction. The 1962 feedgrains program is defined in title I; the regional marketing order authority is extended to all agricultural commodities not specifically excluded; and the National Wool Act is extended from March 31, 1962, to March 31, 1966. Title II extended the Agricultural Trade Development and Assistance Act of 1954 from December 31, 1961, to December 31, 1964, with increased authorizations and other implementing provisions. Title III contained the Consolidated Farmers Home Administration Act of 1961. Title IV extended to December 31, 1971, the final date for entering into contracts under the Great Plains conservation program; extended the school milk programs through June 30, 1967; and extended the Veterans and Armed Forces dairy programs through December 31 1964.

The Congress enacted several additional agricultural laws in its 1961 session.

The agricultural appropriation law for fiscal 1962 contained items totalling nearly $6 billion—almost $2 billion more than the funds for 1961. The increase was largely due to the foreign assistance programs which, for the first time, were put on a pay-as-you-go basis by appropriation of funds for the current year. Previously the Commodity Credit Corporation had been merely reimbursed for the cost of farm surpluses disposed of abroad under Public Law 480, the Agricultural Trade Development and Assistance Act of 1954, and for related foreign programs.

The major items in the appropriations for fiscal 1962 were as follows:

Agricultural Department	$1,397,934,500
Foreign assistance programs	1,600,000,000
Reimbursement to CCC	2,969,525,000
Interior Department, grain for migratory waterfowl	35,000
Total	5,967,494,500

In addition, the law authorized the following:

	Million
Agricultural conservation program, calendar 1962	$250
Rural Electrification Administration loans	407.5
Farmers Home Administration loans	318

Public Law 87–15 of the present session provided for extension of the Sugar Act of 1948 from March 31, 1961, to June 30, 1962.

In the second session of the 86th Congress in 1960, Public Law 86–592 authorized the President to set the Cuban sugar quota for the balance of the calendar year 1960 and for the first 3 months of 1961 at any level not in excess of the Cuban quota under the basic quota system of the Sugar Act, and it directed the manner in which replacement supplies of sugar were to be obtained upon reduction of the Cuban quota. Under this act the Cuban quota has been reduced to zero.

The 1962 measure (Public Law 87–15) did not change the basic provisions of the law but two amendments to the emergency authority were included: (1) the President was no longer obliged to purchase any part of the sugar formerly supplied by Cuba from any country with which the United States does not maintain diplomatic relations; and (2) in the above-quota foreign purchases consideration should be given to countries of the Western Hemisphere and to those countries purchasing our agricultural commodities.

Obviously this legislation is more than an agricultural law, because its implications for our relationships with Cuba and with the Dominican Republic in particular, and with other sugar-producing countries, are very important. Several proposals for making substantial changes in the basic Sugar Act will be considered in the 1962 session at which time preferred consideration will be given to permanent legislation relating to quota adjustments for foreign supplies and to expansion of domestic sugar production.

A number of other important measures relating to agriculture have become law, including the following:

Public Law 87–8, increasing the ceiling for loans from the Farmers Home Administration.

Public Law 87–10, to extend the time for application of the 1959 amendment to the Federal Nematocide, Fungicide, and Rodenticide Act.

Public Law 87–28, amending title I of Public Law 480 to provide $2 billion of additional authority during 1961.

Public Law 87–33, providing temporary release and reapportionment of pooled acreage allotments.

Public Law 87–37, transferring cotton acreage allotments from flooded areas.

Public Law 87–62, relating to emergency hay harvesting on conservation reserve acreage in drought areas.

Public Law 87–67, expanding the special milk program for children and extending it to June 30, 1962.

Public 87–104, extending the wheat referendum time to August 26, 1961.

Public Law 87–106, extending emergency livestock loans.

Public Law 87–127, dealing with surplus grain sales in disaster areas, under the Soil Bank Act.

Public Law 87–152, authorizing the use by States of surplus grain for emergency use in the feeding of resident game birds and other wildlife.

Public Law 87–200, providing for the lease and transfer of tobacco acreage allotments, from one farmer to another in the same county, for the 1962 and 1963 crop years.

Public Law 209, initiating a program for the eradication of hog cholera, at an estimated cost of $2.5 million.

Extension for 2 years of the Mexican farm worker—bracero—program.

HOUSING

Of major importance, the enactment this session of the Housing Act of 1961 and certain other related housing legislation will exert a long-range effect on many classes of individuals, particularly those in the middle and lower income ranges, who are ineligible for public housing and who up until now have been unable to afford to buy their own homes. This is another illustration of legislation passed by the Democratic Party to strengthen the family life of millions of American families. On June 30 President Kennedy signed the most comprehensive housing act ever passed by Congress. The following is a brief sketch of the major provisions of the act.

Under new housing programs, five categories of mortgage loans were established that could be insured by the Federal Housing Administration. Limited-interest loans are made to commercial developers, for construction or rehabilitation of sales and rental housing for moderate-income families. Persons buying new homes costing up to $15,000 now have lower down payments and longer terms—in some cases up to 40 years—in which to pay for their homes. Especially favorable financing arrangements are available to nonprofit organizations and public agencies for construction or rehabilitation of multiple-family rental dwellings—apartments—for moderate-income families. Funds are available on loan for improvement of existing dwellings within urban renewal areas. Loans are also available on cooperative apartments, where the units are individually owned.

The new legislation increased the 1959 authorization of a $50 million revolving loan fund to $125 million, to be used to make direct loans to nonprofit organizations for construction of housing for the elderly. It also authorized the Public Housing Administration to contract for an additional 100,000 public housing units.

An additional $2 billion in Federal capital grants for urban renewal projects was authorized with $25 million of this amount reserved for Federal grants to local agencies to apply towards the cost of mass-transportation demonstration projects, and $25 million for low-rate loans by the Small Business Administration to small businesses which are forced to vacate by urban-renewal projects or by other governmental actions.

One billion two hundred million dollars was added to the revolving fund for loans to colleges, universities, and hospitals for the construction of housing.

The community facilities loan fund for local water, gas, and sewage plant improvements was raised from $150 million to $650 million, with $50 million set aside for the construction of mass-transportation systems.

Under another title of the act a number of changes were made in the National Housing Act, including authorization to the Federal National Mortgage Association to borrow for its special assistance program an additional $750 million; expansion of the existing home improvement loan guarantee program; easement of terms for Federal Housing Administration home mortgage insurance by extending the maturity date of mortgages on new homes and lowering required downpayment; and others.

To help States and localities to acquire land in and around urban centers for recreational, conservation, scenic, and historic purposes, the act authorized $50 million in Federal grants.

And, finally, the farm housing program was extended for 4 years and the existing $207 million authorization was increased by $200 million.

From the above summary, which describes only the more significant aspects of the legislation, one can readily grasp the comprehensiveness of the Housing Act of 1961. It is certainly true as President Kennedy said, that the legislation "provides an opportunity for a giant step toward better cities and improved housing."

Any summary of action by Congress this session relating to housing would be incomplete without mention of the action taken to extend the time limits of the Servicemen's Readjustment Act pertaining to World War II and Korean war veterans. On July 7 President Kennedy signed into law a bill to amend existing legislation to extend the time in which veterans may apply for guaranteed and direct home loans, and providing $1.2 billion over the next 6 years for direct home loans. The bill also increases the maximum amount available to an individual through direct loan from $13,500 to $15,000. Under the new law, a veteran will be eligible for a GI loan for 10 years from the date of his discharge, plus an additional year of eligibility for each 3 months of active wartime service. The new cutoff dates for World War II veterans will be from July 25, 1962, to July 25, 1967; for the Korean war veterans the new dates will be from January 31, 1965, to January 31, 1975.

It may not be generally known that as of January 1, 1961, the Veterans' Administration has reported that a net profit of more than $59 million has been realized from loans to veterans under this program which have been made since the passage of the Servicemen's Readjustment Act of 1944.

SOCIAL SECURITY AMENDMENTS OF 1961

Several important changes which liberalized provisions of the Social Security Act were incorporated in a measure which became law on June 30. The bill was signed by the President "with great satisfaction."

The principal effect of the new law is to increase social security benefits for some 4 million elderly persons, effective in September, 1961. The major provisions, briefly summarized, are as follows:

First. Minimum benefits for retired workers under the Social Security Act were increased from the present $33 to $40 per month. It is estimated that this will affect approximately 2,175,000 persons of retirement age.

Second. Men will be permitted to retire at the age of 62, the present retirement age for women, at a lower rate than they would receive if they waited until age 65. In the first year, about 560,000 persons are expected to receive benefits amounting to $440 million under this provision.

Third. Widows and widowers of an insured worker will get 82½ percent of his—or her—retirement benefits, instead of the present 75 percent. At an estimated cost of $105 million in the first year this will benefit more than 1½ million persons.

Fourth. The new law sets the level of outside earnings of retired persons for which a dollar is deducted for each $2 earned, at $1,201–$1,700. Below $1,200 there is no deduction; above $1,700 such earnings are subject to dollar-for-dollar deductions. For example, a retired person earning $1,700 a year will be penalized $250 instead of $350 as at present.

Fifth. Under an easing of qualifying requirements about 160,000 persons will be permitted to enter the program. A worker can now be insured if he was in a job covered by social security for one-quarter of a year out of every four quarters since 1950, instead of one quarter out of three as at present.

Sixth. Funds for the Federal-State public assistance programs were increased by $15.8 million over a 9-month period, starting October 1, 1961, and certain changes were made in the formulas for Federal participation. Similar increases were made in the formulas for aid to the blind and disabled and those receiving medical care.

Seventh. Increases in payroll taxes were provided, to go into effect on January 1, 1962. The costs of the new program for the first year are estimated at

$825 million, and the new taxes are expected to keep the program self-supporting. Employer-employee taxes were slightly increased in a sliding scale, thus maintaining an actuarial balance.

Provisions were also included in this legislation for an increase in the Federal matching maximum for old-age assistance, aid to the blind, and aid to the permanently and totally disabled, and for the expenditure of Federal funds for temporary assistance to certain U.S. nationals who have returned from foreign countries and are without immediately available resources, as well as certain provisions relating to extension of coverage.

A news story in early September reported that one of the beneficiaries under the program of increased monthly payments to retired workers was a former slave, Charlie Smith, 118 years old, of Polk City, Fla., the oldest person on the social security rolls. He is one of 58 persons 100 or more years old who started receiving the increased benefits, available to some 3,700,000 other elderly citizens.

AID TO DEPENDENT CHILDREN OF UNEMPLOYED PARENTS

This legislation added a new section to title IV of the Social Security Act to make available, during the period beginning May 1, 1961, and ending June 30, 1962, Federal grants to States wishing to extend their aid-to-dependent-children programs to include needy children—and relatives caring for them—of unemployed parents, on the same basis as Federal grants are available to needy children—and relatives caring for them—who have been deprived of parental support by the death, absence or incapacity of a parent. The bill included provisions designed to facilitate the employment of unemployed parents, or the retraining of such parents, if appropriate, and provisions to assure that aid is not provided when the parent has refused employment that it would be reasonable for him to accept. All existing provisions of the aid to dependent children program apply to the temporary expanded program, including, of course, the Federal-State matching formula. The legislation was recommended by the President as a part of his broad program to combat the then existing recession and to relieve resulting hardships.

CIVIL RIGHTS

In this very important field, the Congress has taken action to extend the life of the Civil Rights Commission for another 2 years. A rider to the appropriation bill for the State and Justice Departments, the judiciary and related agencies—Public Law 87–264—provided the authority for the extension of the life of the Civil Rights Commission until November 30, 1963.

The record indicates that a majority of the Members of both Houses feel that the activities of the Commission, during the 4 years since its establishment in 1957, have been worthwhile, and should not be terminated at this time, in fact, should be made permanent. The Commission is engaged in an extensive study concerning civil rights, and has already published comprehensive reports on voting and education.

An appropriation of $888,000 for the activities of the Commission for fiscal 1962 was included in the bill.

In the executive branch, based upon existing law, and the authority thereunder, the President, the Vice President, the Attorney General, and other executive and independent agencies have made marked progress, particularly in the field of job opportunity and advancement, of Government contracts, in interstate commerce transportation, and in other directions, such as in the protection of voters' rights, where the exercise of them are limited. But more is necessary to assure equal opportunity guaranteed to all by the Constitution.

In connection with civil rights, it is significant to note that the only civil rights legislation passed since the Civil War were in the 85th and the 86th Congresses, both Democratic controlled.

And yet, during the 83d Congress, Republican controlled, with former President Eisenhower in the White House, the Republicans did not even report any kind of a civil rights bill out of committee.

EDUCATION

Before reviewing the actions of Congress in the field of education, it may be useful to include a bit of background information. On February 20 of this year President Kennedy sent a message to the Congress in which he outlined a comprehensive program of Federal assistance in education. Stating that "our progress as a Nation can be no swifter than our progress in education" and expressing the view that "a successful educational system requires the proper balance, in terms of both quality and quantity, of three elements: students, teachers, and facilities," President Kennedy proposed a multipart program of long-range assistance to these three elements. Included in his program were proposals for Federal assistance for teachers' salaries and classroom construction for public elementary and secondary schools—nonpublic schools were specifically excluded—assistance in the construction of college and university facilities; and assistance to college and university students. Subsequently, the President also made a request for a number of specific revisions in the National Defense Education Act, and in the impacted areas laws—Public Law 815 and 874, 81st Congress. Shortly thereafter, bills to implement the President's far-reaching programs were introduced in the Congress.

It soon became apparent, when consideration of this legislation began, that wide differences of opinion existed among the Members of Congress concerning the matter of Federal aid to education. These differences in view were so fundamental, and the complexities of the legislation so numerous that it was impossible to get the full program enacted this year. Nor was it possible to reach agreement in a second attempt to enact somewhat less comprehensive measures.

While these legislative efforts were going on, certain provisions of Public Laws 815 and 874 expired and institutions of learning all over the country in areas that have become impacted because of Federal activities were vitally affected. In addition, the National Defense Education Act upon which hundreds of thousands of students in institutions of higher education and the institutions themselves have turned for financial assistance was slated to expire at the end of the present fiscal year.

Congress, therefore, voted a 2-year extension of Public Laws 815 and 874 of the 81st Congress and of the National Defense Education Act of 1958. The new legislation contemplates a total expenditure for education for the next 2 years, under programs already in progress, of approximately $902,992,000. The Supplemental Appropriations Act for fiscal 1962 contains appropriations of an additional $70,000 for defense educational activities, $145,593,000 for payments to school districts—to extend Public Law 874—and $30 million for assistance for school construction—to extend Public Law 815. These amounts are in addition to the sum of $211,557,000 already appropriated by Public Law 87–290 for fiscal year 1962 for defense educational activities.

With passage of this legislation, Congress has thus made possible the continuation of programs of assistance for the construction and maintenance and operation of schools in impacted areas, including teachers' salaries. It has also assured continuation of funds for the many worthwhile programs included in the National Defense Education Act—viz, student loans; national defense fellowships; financial assistance for strengthening science, mathematics and modern foreign language instruction; guidance, counseling, and testing of secondary school students; language development; research in audiovisual media for educational purposes; area vocational educational programs; and improvement of statistical services.

Also, title IV of the Housing Act of 1961 which provided for an annual increase in the loan authorization for college housing facilities of $30 million for the years 1961 through 1964. While most of these funds will be used for the construction of college dormitories, some will also be spent for dining halls, cafeterias, student centers, and so forth. Loans for construction of housing facilities for interns and student nurses will also be available.

HEALTH LEGISLATION

On February 6, 1961, the President sent a special message to the Congress which included his requests for major legislation on health and hospital care. One of these was for the expansion and improvement of community health facilities through increased Federal assistance to the States and local areas.

In response to a special message of President Kennedy, the Congress enacted the Community Health Services and Facilities Act of 1961. Assistance was provided in three general areas—community health services, nursing homes, and hospital and other medical research and construction.

The question of the health of our people is of paramount interest to President Kennedy and the Congress. The action taken covers a wide field including hospital and other medical research and construction, for increased Federal grants-in-aid to the States for construction of nursing homes, for increased annual authorization for community health services.

An excellent record has been made in the first session in these important fields meaning so much to all of our people. Furthermore, the progress made in medical research will benefit all mankind due to our wise policy of making medical progress available to people everywhere, for illness, sickness, and disease are worldwide.

A second measure extends for 4 years the present program of $5 mililon for grants and scholarships for training of practical nurses under the Vocational Education Act of 1946.

The appropriations for the major health programs of the Federal Government are contained in two acts—the Appropriation Act for the Department of Health, Education, and Welfare for fiscal 1962, and the Supplemental Appropriation Act for fiscal 1962.

In the first act the appropriation for the Public Health Service totaled $1,240,052,000. Of this amount $738,335,000 was given to the National Institutes of Health—$155,335,000 more than the President had requested. Another large item—$203 million for hospital construction under the Hill-Burton Act—represented an increase of about $15 million over his request. Most of the remainder of the appropriation was allocated to the numerous programs of Federal grants-in-aid, administered by the Public Health Service.

The Supplemental Appropriation Act for fiscal 1962 contained items totaling over $67 million, chiefly for grant-in-aid programs.

One extremely important bill (H.R. 4222 and S. 909) providing for medical care to the elder citizens was not acted on in the just concluded session, but will continue to receive attention next year. The Committee on Ways and Means has held 2 weeks hearing and will give further consideration in the next session.

President Kennedy has assigned the highest priority to it in his plans for the 1962 administration's legislative program.

In the meantime, Congress increased support of community health services and facilities serves to furnish more assistance to the aged, pending decision on the legislation dealing specifically with the problem.

FEDERAL-AID HIGHWAY PROGRAM

In a statement issued by President Kennedy upon the signing on June 29 of the Federal-Aid Highway Act of 1961, the President paid tribute to the "diligent and conscientious work that was done by the Members of Congress" in working out the resolution of the many problems which were embodied in this legislation. The task which Congress faced was the provision of funds needed to permit the completion of the 41,000-mile Interstate Highway System by the target date of 1972. Authorized by the new legislation was an additional $11.5 billion needed to complete the program after hearings on the tax features by the Ways and Means Committee. Provision was made in the legislation for raising approximately $9.6 billion in additional revenues by increasing taxes on the various highway users, particularly the trucking industry, and on the related rubber industries who manufacture tires and tubes, and so forth. In addition, the present Federal tax of 4 cents a gallon on gasoline which had been scheduled to revert to 3 cents a gallon on June 30, 1961, was continued. At the same time all of the 10 percent manufacturers' excise tax on trucks, buses, and trailers was diverted into the highway trust fund.

Under the interstate highway program, the Federal Government supplies 90 percent of the funds and the States supply the remaining 10 percent. The billboard bonus program which allows the States an additional one-half of 1 percent reduction in its matching funds provided they agree to regulate billboard advertising within 660 feet of certain sections of the highway system was extended for an additional 2 years, through June 30, 1963.

The legislation also provides an amount of $400 million to pay for an increase in Federal outlays for primary, secondary and urban roads, costs of which are shared equally by the Federal Government and the States.

President Kennedy summarized the value of this legislation when he remarked:

> With the support provided by this act, the States and the Federal Government can continue with the construction of the new highway system, a system which will increase our defense readiness, decrease the appalling highway accident toll, lower transportation costs, and stimulate economic development.

Already we have evidence of the belief that the funds authorized by this legislation can also serve to provide a boost for the entire economy. In mid-August 1961, President Kennedy directed the Commerce Department to release immediately to the States more than $818 million in Federal highway funds. This is the allocation for the second quarter of the 1962 fiscal year. These funds will permit the States to speed up planning and construction of the Interstate Highway System and of other highways financed by this legislation as well, and at the same time will put additional money in circulation thereby aiding the entire economy of the areas affected.

SMALL BUSINESS LEGISLATION

Because the funds for the Small Business Administration's loan program were exhausted at the end of August, Congress appropriated an additional $20 million as a stopgap measure—Public Law 87-198—pending passage of bills providing funds and containing amendments to the Small Business Investment Act.

Public Law 87-305 contains authorization for $725 million to be used for loans to small business—an increase of $105 million over the current amount. This covers both the prime contract revolving fund and the business loan fund. The act authorizes the SBA, Department of Defense, and General Services Administration to develop a small business subcontracting program designed to give small concerns more business as subcontractors and supplies to prime contractors or subcontractors performing under Government procurement contacts. It also provides that all prime contracts in excess of $1 million and subcontracts in excess of $500,000 must include provisions, first requiring that prime contractors and subcontractors consult with SBA through the procuring agencies when requested to do so by the SBA, and second, enabling the SBA to obtain subcontracting information from the procuring agencies. Under the act, regulations issued by the Department of Defense and General Services Administration to implement the new subcontracting program must have the concurrence of the SBA, and if such concurrence cannot be obtained the matter must be submitted to the President for final decision. In summary, the purposes of the act are to increase the amounts available for regular business loans, to grant the SBA a greater role in Federal procurement policy, and to give small business investment companies greater access to capital.

A second important act incorporates several major changes in the Small Business Investment Act, which gives tax shelter to companies established to aid small business. The amendments in the new law may be summarized briefly:

First. Any one small business investment company may invest not more than $500,000 in any small business concern without SBA approval; and no investment may exceed 20 percent of the investment company's combined capital and surplus.

Second. The amount of subordinated 5-percent debentures that the SBA may be required to purchase from a licensed investment company, matching equally the company's equity capital, is raised from $150,000 to $400,000. An investment company must have $300,000 to start business, and half that amount may come from such debentures.

Third. The amount which the SBA may lend to all small business investment companies is increased from $250 million to $325 million.

Fourth. A maximum of $4 million is set as the amount that an investment company, after having invested all its funds, may borrow. This loan may go up to half its paid-in capital and surplus.

Fifth. The SBA may suspend a small business company for making false statements or for willful infraction of SBA rules. Formerly the only recourse was to the Federal courts.

Sixth. Banks may now invest up to 2 percent of their capital and surplus, instead of 1 percent as at present, in a small business investment company.

There are now 360 small business investment companies with a combined capital and surplus of more than $318 million, of which the SBA has supplied nearly $43 million by buying subordinated debentures. Most of these are rather small companies, formed by groups of investors or banks, but 32 of them have offered shares for public subscription. The biggest company is Elec-

tronics Capital with capital and surplus of $33,300,000.

THE JUDICIARY—LAW ENFORCEMENT

The prompt administration of justice by our courts, as well as effective law enforcement to protect law abiding citizens, and to detect and prosecute crimes of all kind, particularly organized crime, with adequate laws to enable enforcement, is a matter of primary importance. The President and Attorney General Robert F. Kennedy are to be highly complimented for their leadership and affirmative activity in these fields.

The following measures were enacted into law:

A bill providing for 73 additional district and circuit judges.

This act, one of major importance, will assure decongestion of the Federal court calendar, for justice delayed is justice denied.

In response to recommendations by Attorney General Kennedy for legislation to combat organized crime and racketeering, and to meet criminal acts in other directions, legislation was enacted:

First. To prohibit travel or transportation in commerce in aid of racketeering enterprises.

This act will prove a serious deterrent to such illegitimate enterprises as gambling, narcotics, liquor, and prostitution businesses.

Second. A bill with respect to the transmission of bets, wagers, and related information.

This act will assist the various States and the District of Columbia in the enforcement of their laws pertaining to gambling, bookmaking, and like offenses, and to aid in the suppression of organized gambling activities by prohibiting the use of wire communication facilities which are or will be used for the transmission of bets or wagers and gambling information in interstate or foreign commerce.

Third. A bill to provide means for the Federal Government to combat interstate crime and to assist the States in the enforcement of their criminal laws by prohibiting the interstate transportation of wagering paraphernalia.

This act will prevent easy transportation of wagering paraphernalia and will be most effective in combating organized crime and racketeering.

Fourth. Extending the Fugitive Felon Act.

This bill is an important part of major crime legislation. The Department of Justice clearly stated that this bill will strengthen the law enforcement, both State and Federal, against major criminal activities.

Fifth. A bill to further protect the internal security of the United States by providing penalties for malicious damage to certain communications facilities.

This act is of major interest. It strengthens the criminal law against willful or malicious interference with or destruction of any communication facilities used or intended to be used for military or civil defense functions of the United States.

Sixth. A bill amending the Foreign Agents Registration Act of 1938.

It happened that I introduced the original Foreign Agents Act. This bill is another important step in enforcing the security of the United States.

Seventh. A bill to prohibit the counterfeiting of State obligations in certain cases.

This act will effectively deal with the problems being encountered by law enforcement officials in the control of fraudulent State tax stamps and similar false evidence of tax obligations owed to a State.

Eighth. A bill to extend the application of chapter 37 of title 18 relating to espionage and censorship.

This is another act designed to further the security of the United States. It relates to protecting our country from certain acts of espionage committed abroad, as well as at home.

Ninth. A bill supplementing existing criminal laws providing a more effective deterrent to willful destruction and damage of property moving in interstate or foreign commerce.

In recent months a series of vicious acts where commercial planes were hijacked in air commerce, dramatically pointed the necessity of legislation with severe penalties. The Congress quickly enacted such legislation.

AREA DEVELOPMENT PROGRAM

The plight of certain economically hard-pressed areas in our Nation has been well known and much discussed. Congress has been greatly concerned over the situation, and in 1958 and again in 1960 enacted legislation to provide Federal assistance to these areas. On both occasions, however, the legislation was vetoed by former President Eisenhower, in the belief that the assistance program was too extensive. This year a third attempt on the part of Congress to alleviate the economic hardships of these areas met with success under a sympathetic President. On May 1 President Kennedy signed the Area Redevelopment Act. At last the Federal Government is able to step into these areas of chronic high unemployment and work with State and local officials in programs to attract and settle new industries in the areas; to assist in the provision of necessary public facilities; and provide assistance to those undergoing job retraining. Through a program of loans and grants, a total of $394 million has been authorized for a 4-year program. Responsibility for overall administration has been vested by the Commerce Department in the Area Redevelopment Administration. Six other departments and agencies—Labor, Health, Education, and Welfare, Housing, and Home Finance Agency, Agriculture, Interior, and the Small Business Administration—will pool their resources to discharge their various responsibilities in connection with the program.

On June 9, Commerce Secretary Hodges released a list of 114 depressed industrial areas which would be eligible for aid under the program; on July 20 he released a list of 468 rural counties and 48 Indian reservations areas eligible for aid because of chronic unemployment or underemployment. The designation of specific areas was deemed necessary in order that the funds available would not be spread so thinly that the assistance would not accomplish the desired objective in any one area.

At the present time the Area Redevelopment Administration and the cooperating departments and agencies are working with citizens in a number of areas in the development of programs designed to improve the economic position of those areas. While insufficient time has elapsed since the signing of the Area Redevelopment Act for any widespread effects of the legislation to be reported as yet, however, the first grant under the program has been made. In July of this year a grant of $129,000 and a loan of $31,000 were made under the program to the town of Gassville, Ark., for the construction of a water system for the town, a necessity prior to the construction of a shirt factory, a cooperative project on which four Arkansas counties had been working since 1958. The grant and loan supplemented a local bond issue of $535,000. The case illustrates the kind of assistance which is available to communities whose economic situation is critical and who are genuinely interested in doing something about it.

VETERANS

Among legislation enacted relating to our veterans are:

First. A bill to extend the veterans guaranteed and direct home loan program and to provide additional funds for the veterans' direct loan program.

This act extends expiration dates for the home loan programs for World War II and Korean veterans.

This act is of great importance in connection with veterans of World War II and of the Korean conflict obtaining a guaranteed or direct loan within the time limit prescribed for such veterans, together with an increase of maximum amount of a direct loan from $13,500 to $15,000.

Second. A bill relating to special insurance dividend for certain veterans of Korean conflict.

This act provides for the immediate payment of dividends on insurance heretofore issued under section 621 of the National Service Life Insurance Act of 1940, which has been converted or exchanged for new insurance under such section.

Third. A bill to increase the special pension payable to certain persons awarded the Medal of Honor.

This increases from $10 to $100 the monthly pension payable to holders of the Congressional Medal of Honor, permits payment, upon application, at age 50 instead of the present requirement of attaining the age of 65 years, and pays the holders of the medal whether or not they are on active duty.

Fourth. A bill to provide that combined service in more than one war shall be creditable for pension purposes.

This act combines the service in more than one war to meet the 90-day service requirement for payment of non-service-connected disability or death pension to veterans and their widows and their children.

Fifth. A bill requiring findings of fact and conclusions of law by the Board of Veterans' Appeals.

This act requires that decisions of the Board of Veterans' Appeals shall be in writing and shall contain findings of fact and conclusions of law separately stated.

Sixth. A bill to provide outpatient medical and dental treatment for Indian war veterans.

Seventh. A bill to amend section 417 of title 38, United States Code, to provide that death pensions may be paid in lieu of dependency and indemnity compensation in certain cases involving service-connected deaths occurring after December 31, 1956.

FEDERAL EMPLOYEES

Among legislation enacted of interest to Federal employees is:

First. A bill relating to interest earning of Treasury issues held by civil service retirement and disability fund.

This act is important in that it will strengthen the financial integrity of the retirement and disability fund, and as a result of a new civil service formula the interest rate currently will be at least 1 percent in excess of the interest rate provided under the old formula.

Second. A bill to make permanent certain civil service retirement and disability fund annuity increases.

This act makes permanent and payable from the civil service retirement and disability fund temporary costs of living increases in annuities, and provides for certain survivor benefits which were authorized by Public Law 85–465 approved June 25, 1958, and under that law were dependent on or after July 1, 1960, upon yearly appropriations by the Congress for their continuation.

Third. A bill relating to salary protection for classified and postal service field employees in certain cases involving reduction in salary standing.

Fourth. A bill providing for increase in top grade positions under the Classification Act of 1949, and research and development positions of scientists and engineers.

This legislation has been under consideration for several years, and is a marked contribution toward efficiency in the agencies covered by this law.

Fifth. A bill providing for supergrade positions in the General Accounting Office.

TAXATION AND THE DEBT LIMIT

It is expected that during the 2d session of the 87th Congress, action will be taken with reference to aspects of the income tax structure. During the session just passed, considerable attention was devoted to an interim tax revision program, the crux of which was a proposal to provide businessmen a tax credit on funds invested in new equipment in order to stimulate new investment. Also included were certain revenue-raising features. The Committee on Ways and Means held 28 days of special hearings and a number of executive sessions on the President's tax recommendations of 1961. Prior to adjournment of the first session, the committee announced tentative decisions and issued a committee print for the consideration of the general public during the adjournment period. The committee has also announced that it will resume consideration of this tax bill as its first order of business in the next session.

Among the actions which the Congress took this past session in the tax field was the passage of the Tax Rate Extension Act of 1961—Public Law 87–72—to continue for another year, until July 1, 1962, the 52 percent tax rate on corporations and certain mutual insurance companies; and to continue the excise rates set by the Revenue Act of 1951 on distilled spirits, beer, wine, cigarettes, passenger cars and accessories; the 10 percent tax on passenger transportation; and the 10 percent tax on local telephone service.

In another action—Public Law 87–69—the national debt ceiling was temporarily increased for 1 year through June 30, 1962, from its permanent level of $285 billion to $298 billion.

To help lessen the outflow of gold from the United States, a bill signed on May 4, 1961 amending the Internal Revenue Code to exempt all foreign banks of issue from the U.S. tax on interest earned on investments in U.S. Government obligations unless the obligations are held for, or used in connection with, the conduct of commercial banking functions or other commercial activities. While it is anticipated that this bill will have a negligible effect on revenues, it is important in other respects.

An amendment to the above bill extended until May 15, 1961, the period in which certain persons operating as small business corporations could elect not to be taxed as corporations. The objective of this amendment was to correct hardships incurred upon certain married couples in community property States by a Treasury Department ruling that both husbands and wives had to sign an election jointly in order to qualify.

Two other actions in the field of taxation might be mentioned. Public Law 87–17, approved April 7, 1961, expanded the scope of the study which was first authorized in 1959 by Public Law 86–272, concerning the power of the States to impose net income taxes on income derived from interstate commerce, to include all matters pertaining to the taxation of interstate commerce by the States, territories, and possessions of the United States, the District of Columbia, and the Commonwealth of Puerto Rico. Authority under this act is given to the House Committee on the Judiciary and the Senate Committee on Finance who are making these studies.

Also passed is a measure which empowers the Internal Revenue Service to assign identifying numbers to all taxpayers. By the simple expedient of providing a means by which individuals are identified regardless of discrepancies in address or spelling of names, tax evasion is made infinitely more difficult. It is anticipated that the Federal revenue may be boosted by as much as $5 billion a year in increased tax collections which this legislation will make possible.

SCIENCE AND ASTRONAUTICS

Early this year the President made recommendations for a comprehensive space program that will enable our country to be the leader in all aspects of a most important field, commonly referred to as "outer space."

The Congress in recent years established the National Aeronautics and Space Administration—NASA.

The Congress has strengthened the original act by amendments and cooperated by making adequate appropriations. The importance of the success of NASA, and keeping our country in the forefront cannot be overemphasized. The President and Congress recognizes this fact.

The President recommended the authorization this year of $1,784,300,000 for NASA for fiscal year 1962, which the Congress has passed.

In addition, a bill amending the existing law revising the organizational setup of the NASA and the Space Council, and providing for the Vice President to preside as Chairman of the Space Council.

The House committee has also conducted a number of surveys and inquiries all of importance in future action in this field.

FEDERAL WATER POLLUTION CONTROL ACT OF 1961

This act contains the following important provisions:

First. That Federal agencies shall give consideration in the survey or planning of any reservoir to inclusion of storage for streamflow regulation for water quality control purposes, except that such storage and releases shall not be provided as a substitute for adequate treatment or other waste controlling methods at the source.

Second. Directs the Secretary of Health, Education, and Welfare to develop and demonstrate sewage treatment means, improved methods and procedures to identify and measure pollution effects on water uses, and methods and procedures for evaluating effects on water quality and uses of augmented streamflow; and authorizes the annual appropriation of $5 million, with an aggregate of $25 million, for these purposes.

Third. Directs the Secretary to establish and maintain field laboratory and research facilities, including, but not limited to, one to be located in the northeastern area of the United States, one in the Middle Atlantic area, one in the southeastern area, one in the southwestern area, one in the Pacific Northwest, and one in the State of Alaska, for the conduct of research, investigations, experiments, field demonstrations, and studies and training.

Fourth. Increases authorizations for appropriation of funds for grants to State and interstate water pollution control agencies to assist in establishing and maintaining adequate water pollution control measures from $3 to $5 million annually, and extends the authority for making grants for 7 years to June 30, 1968.

Fifth. Increases authorizations for appropriations for grants to municipalities for construction of sewage treatment works from $50 million annually and an aggregate of $500 million to $80 million for fiscal year 1962, $90 million for fiscal

year 1963, and $100 million for each of fiscal years 1964, 1965, 1966, and 1967, resulting in an aggregate of $820 million or a total increase over prior law of $320 million, as well as other beneficial provisions. This act is of widespread interest throughout the country.

Among other important and significant bills enacted into law are:

First. The Atomic Energy Commission authorization bill.

This act authorized $131,440,000 for new construction projects in the atomic energy program, and $7 million for cooperative atomic power demonstration program.

In addition, this bill is an amendment to a prior year act authorization to $114 million linear electron accelerator atom smasher at Stanford University in California, which will be the largest electron accelerator in the world.

Second. AEC omnibus bill.

This act covered some 20 amendments to the Atomic Energy Act of 1954 and the Euratom Act of 1958, to bring them up to date with developments in the field of atomic energy. Among other things, the act authorizes the transfer of nuclear material for peaceful uses to the International Atomic Energy Agency and the Euratom organization, as well as amending patent provisions and including miscellaneous technical and conforming amendments to the Atomic Energy Act.

Third. To extend to June 1, 1963, the powers of the President to submit reorganization plans.

The President submitted six plans, four of which became effective. The major parts of the other two plans were enacted by Congress through the passage of separate bills.

Fourth. A bill amending the Communications Act enabling the Federal Communications Commission to be more effective and efficient in the use of its experienced and technically qualified personnel, to handle its large workload of adjudication cases with greater speed and efficiency.

These changes in law will enable the Commission to devote more of its time to major planning involving issues of general communications importance.

Fifth. A bill of widespread interest recommended by the President to carry out the administration program for the development of public airports by making additional millions available over a 3-year period.

Sixth. The establishment in the Department of Commerce of a U.S. Travel Service.

The main purpose of this act is to promote friendly understanding and appreciation of the United States by encouraging foreign residents to visit our country.

Seventh. A bill to amend the Shipping Act of 1916 through clarification and modernization.

This act will assure greater stability in the export and import waterborne commerce of the United States through clear permission for conferences to employ dual rate exclusive patronage system, under safeguards, in behalf of exporters and importers and increased efficiency in the administration and enforcement of regulatory laws.

Eighth. A bill affecting the regulation of U.S. foreign commerce to provide for licensing of independent ocean freight forwarders.

Ninth. A bill providing for the extension of the provisions of the Federal Aviation Act of 1958, relating to war risk insurance.

Tenth. A bill to provide for one additional Secretary of Labor in the Department of Labor.

Eleventh. A bill to permit the entry of certain alien orphans.

This act constitutes major amendments to the Immigration and Nationality Act. It grants veterans of the Korean conflict the same naturalization rights enjoyed by veterans of other wars. It removes affliction with tuberculosis as grounds for exclusion. It enacts into permanent law the admission of alien orphans. It preserves family unity by permitting the spouse and children of the naturalized citizen to remain abroad after having retired to remain with the head of the family without losing citizenship. It provides for the reunion of immigrant families by granting relatives under quota admitted if registered before July 1, 1961.

Twelfth. A bill providing for a sharp increase of saline water research program.

During the past few years, expenditures for this important work have been running at the rate of less than $2 million a year. Under the expanded program authorized for the next 6 years, this amount can be increased by at least fivefold. The results of this research activity will be of great importance to our people, but more broadly, if we are successful first, in making salt water economically feasible by giving mankind everywhere such results and benefits we could greatly improve our international situation. For the shortage of water for human consumption and for agricultural uses, which problem is rapidly growing, is a matter of deep concern throughout the world.

Thirteenth. A bill authorizing the Export-Import Bank to guarantee, insure, coinsure and reinsure political and political and credit risks arising in connection with U.S. exports. Such legislation is important for placing American exports on an equal basis with foreign competitors.

Fourteenth. A bill to amend title II of the Vocational Education Act of 1946, relating to practical nurse training.

Fifteenth. A bill authorizing an appropriation of $750,000 for the Securities and Exchange Commission to make a study and investigation of National Securities Exchanges and National Securities Associations.

Sixteenth. A bill to strengthen the Federal Savings and Loan Corporation.

Seventeenth. A bill to improve the organization of the Coast and Geodetic Survey.

The functions of this act are of increased importance as our country recognizes the essentiality of an expanded oceanography program.

Eighteenth. Another bill enacted into law provides for the expansion of the Coast Guard so that it may be organized to take part in a coordinated program of oceanography.

Nineteenth. A bill extending for 27 months the loan guarantee authority of the Interstate Commerce Commission for capital expenditures of railroads who qualify.

Twentieth. A bill to authorize the U.S. Governor of the International Finance Corporation to agree to an amendment to the Corporation charter so as to authorize it to invest in capital stock, enabling the Corporation to broaden its powers to more effectively accomplish its purposes.

Twenty-first. A bill permitting the use of surplus personal property by State distribution agencies.

Twenty-second. Various bills authorizing sizable additions to the National Park System, including a major accomplishment in this field of the creation of the Cape Cod National Seashore in Massachusetts, as well as the provision of several bills providing for the use of extensive land areas by the military service.

Twenty-third. The Congress gave its consent to several compacts between various States enabling the compacting States to settle perplexing questions existing between them of many years' standing.

With reference to the District of Columbia, the most important piece of legislation which Congress passed this year was legislation which set up the election machinery for the District in preparation for the presidential elections of 1964. On March 29, 1961, the 23d amendment was ratified by the required three-quarters of the States. This amendment gives to the citizens of the District of Columbia the right to vote for presidential and vice presidential candidates in national elections, a right they have not had since the District was created at the beginning of the 19th century.

To carry on the important activities of the various departments and offices of the District of Columbia government in the fiscal year 1962, Congress this year approved appropriations totaling $270,067,897. Federal payments to the District totaling $32,753,000 and loan authorizations totaling $29 million were also approved.

The action of Congress this session to transfer from the Federal Government ownership and administration of Freedmen's Hospital in Washington, D.C., to Howard University, and to authorize appropriations for the construction of a new hospital to replace the totally inadequate and antiquated present establishment will meet with general approval.

Another action which affects hospital facilities in our Nation's Capital was the passage and subsequent approval of a bill—Public Law 87-79—which I introduced this session, whose purpose was to extend the Federal grant authority of the Hospital Center Act of August 7, 1946, for 1 year, from June 30, 1961, to June 30, 1962. This legislation will give George Washington University Hospital and the Greater Washington-Southeast Community Hospital additional time in which to seek legislative authority for additional Federal aid; it will at the same

time preserve the present program of expanding private hospitals in the District of Columbia through Federal grants provided under the provisions of the Hospital Center Act.

Steps were taken to relieve the critical traffic situation in the area surrounding the District by providing initial funds for improvement of certain highways and granting to the National Capital Transportation Agency funds to go ahead with its program of acquiring mass transit rights of way, stations and parking lots along the principal highways leading into the District.

In a variety of other actions taken this session, Congress increased the authorized strength of the District of Columbia Metropolitan Police force, repealed the gift enterprise law of the District making it legal for merchants to offer trading stamps and other sales stimulators, raised to $150, from $50, the amount of a claim over which the municipal court would have jurisdiction—Public Law 87–203—amended the District of Columbia Code to clarify some ambiguities and correct certain inequities in existing District of Columbia law relating to the succession of real and personal property, and passed several other laws affecting specific aspects of the District government.

There are several more bills, some of major importance to the District that were not acted upon this session, which the Congress will consider in the coming session. As in the past, the leadership will cooperate with the House District of Columbia Committee in bringing up speedily bills reported out of that committee.

Mr. Speaker, in conclusion, a strong piece of evidence as to the diligence and accomplishments of the first session of this Democratic controlled Congress is the fact that President Kennedy signed a record number of bills, 401 public laws, and 284 private laws, a total of 685 laws; whereas former President Eisenhower in the first session of his first term, with a Republican Congress, signed 287 public laws, and 227 private laws, or a total of 514 laws.

Pulaski Day

EXTENSION OF REMARKS
OF
HON. CORNELIUS E. GALLAGHER
OF NEW JERSEY
IN THE HOUSE OF REPRESENTATIVES
Wednesday, September 27, 1961

Mr. GALLAGHER. Mr. Speaker, the anniversary of the death of Casimir Pulaski will always evoke grateful memories in the hearts of the American people for the gallant Polish gentleman who, like Lafayette, Von Steuben, and his own fellow countryman, Koscuisko, came from across the seas to battle for our independence. Although these four, the German, the young Frenchman and the two Poles, are the most distinguished of the European soldiers who fought for the American cause, they were by no means alone. Looking back over nearly two centuries, with the perspective which time gives, we realize that even to the conservative 18th century upper class there must have been something very appealing in the spectacle of a brave, high-spirited people, overwhelmingly outnumbered, but still daring to do battle with the mistress of the seas and the most powerful empire on earth. The more enlightened Englishmen themselves applauded the American spirit; large numbers declined to have anything to do with the affair, with the result that the Hanoverian King of Great Britain was obliged to hire German mercenaries for the purpose of subjugating his own subjects of English blood.

Pulaski was a true soldier of fortune. In his youth he had joined his father in rebellion against a Polish king dominated by foreign influence. The rebellion was crushed, the Pulaski estates confiscated, and the count himself proscribed as a traitor. Fleeing his native land he arrived in Paris where he applied to Benjamin Franklin for service in the American cause. Franklin promptly arranged for his transportation to America. Armed with a letter of introduction to Washington, Pulaski arrived in Boston in July 1776; met Washington the following month and was recommended by him to the attention of Congress. Up to this time there had been no regular cavalry in the American Army; four regiments were projected, and Washington suggested to President John Hancock that Pulaski be put in command of all the cavalry. As a Polish soldier of the upper class, Pulaski was, of course, born to the saddle.

Flinging himself forthwith into combat, Pulaski presently organized the cavalry unit which became known as Pulaski's Legion, by which he will always be remembered. He participated in the battles of Germantown and Trenton, was attached to the main army at Valley Forge during the winter of 1778–79, and was later detailed to join General Lincoln for the southern campaign. In 1779, leading his men in a dashing assault on the British works in front of Savannah, he fell mortally wounded on October 2, 1779, and died 2 days later. His burial place is unknown, but he was probably buried in the Savannah River. Today, on Pennsylvania Avenue in Washington, the passerby looks up to the majestic equestrian statue erected by a grateful people to the memory of a gallant soldier who gave his life for their freedom.

Our Acting Speaker

SPEECH
OF
HON. CLARENCE CANNON
OF MISSOURI
IN THE HOUSE OF REPRESENTATIVES
Tuesday, September 26, 1961

Mr. CANNON. Mr. Speaker, it was my misfortune to be in attendance on conference committees meeting on the other side of the Capitol when tributes were being paid here in the House to our Acting Speaker, the Honorable JOHN MCCORMACK, of Massachusetts, and am taking advantage of the first opportunity to join with our distinguished majority whip and acting majority leader, the gentleman from Oklahoma [Mr. ALBERT], in the great outpouring of admiration and affection and appreication given Mr. MCCORMACK in the closing hours of the session.

As the unanimously elected Speaker pro tempore of the House of Representatives, to serve during the temporary indisposition of our beloved Speaker RAYBURN, he has been suddenly and unexpectedly projected into one of the most important, most difficult, and most responsible positions that could fall to the lot of even as experienced and able a man as he is.

It is the glory of our form of government that in time of greatest need there are always available men qualified and seasoned to meet the occasion.

By happy coincidence the election of JOHN MCCORMACK as Speaker pro tempore falls on the 21st anniversary of his election as majority leader of the House. While Speaker RAYBURN has been breaking all records in length of incumbency as Speaker, JOHN MCCORMACK has been as industriously and as effectively breaking all records in length of incumbency as majority leader. And in all the long time of illustrious men who have preceded him in that position he holds his own not only in length of service but in ability and capacity and achievement as well.

And in a much shorter list of exceptional men who have served as Speaker pro tempore he again leads in length of service and certainly in the intricacy and precedent-shattering difficulty of the problems presented in the closing days of the session of this particularly critical Congress.

He is not only a great leader, an astute parliamentarian and a master strategist but he also is gifted with those qualities of mind and temperament so requisite to the exacting duties of the speakership of the greatest deliberative assembly of our time and in world legislative history.

We wish for him and Mrs. McCormack a richly merited and long-deferred vacation and continued health, happiness, and contentment in an ever widening field of service.

The Freedom Awards of the Order of Lafayette, Inc.

EXTENSION OF REMARKS
OF
HON. FRANCIS E. WALTER
OF PENNSYLVANIA
IN THE HOUSE OF REPRESENTATIVES
Wednesday, September 27, 1961

Mr. WALTER. Mr. Speaker, the Order of Lafayette is composed of officers who served in France or French possessions during World War I or II, and its auxiliary members are also in favor of strengthening our traditional friendly

relations with France. It is a nonpartisan, nonprofit, and tax exempt corporation, with headquarters at 12 West 44th Street, New York, N.Y.

At its convention luncheon held at the Plaza Hotel in New York on May 19, 1961, its first Freedom Award for foreseeing and combatting communism was presented to Douglas MacArthur, General of the Army. Six hundred people filled the ballroom and heard General MacArthur make a brilliant and inspiring speech on the space age, which has been inserted in the CONGRESSIONAL RECORD together with the Freedom Award by Hon. JOSEPH W. MARTIN, JR.

The Order of Lafayette of which the Honorable Hamilton Fish is president general, adopted the following resolutions at its convention on May 19, which were compiled by a score or more of influential anti-Communists suggesting the names of a number of persons living and dead who have been leaders in the fight against the menace of communism, to freedom in America, and elsewhere:

THE ORDER OF LAFAYETTE—FREEDOM AWARDS

Freedom Award list: Gen. Douglas MacArthur, Cardinal Francis E. Spellman, Hon. Herbert Hoover, J. Edgar Hoover, Hon. Richard M. Nixon, Hon. Hamilton Fish, Hon. Francis E. Walter, Hon. Martin Dies, George Meany, Hon. Lyndon B. Johnson, Hon. Robert F. Kennedy, Hon. John W. McCormack, Hon. Henry Cabot Lodge, Hon. J. William Fulbright, Hon. John L. McClellan, Hon. James C. Eastland, Hon. Styles Bridges, Hon. Karl E. Mundt, Hon. Barry M. Goldwater, Hon. Thomas J. Dodd, Hon. Walter H. Judd, Gen. Albert Wedemeyer, Rev. Daniel A. Poling, George E. Sokolsky, Martin McKneally.

Freedom Award (50)—Honorable mention during the last 30 years: Hon. Harold R. Medina, Maj. Gen. Charles A. Willoughby, Maj. Gen. Robert E. Wood, Bishop Fulton J. Sheen, Hon. William Jenner, Hon. Clare E. Hoffman, Hon. Katharine St. George, Hon. John R. Pillion, Hon. Bernard H. Kearney, Hon. Claire Luce, Hon. Joseph Starnes, Hon. Harold H. Velde, Hon. John S. Wood, Hon. Henry Kaufman, Hon. Robert Morris, John L. Lewis, J. D. Matthews, Rev. Edward Lodge Curran, Rev. James Fifield, Rev. William James Hargis, Rev. Rayne Poucher, John T. Flynn, David Lawrence, Fulton Lewis, Jr., John O'Donnell, James F. O'Neill, Westbrook Pegler, Patrick Scanlon, Dan Smoot, Henry J. Taylor, Tom Anderson, William F. Buckley, Deven Adair Garrity, Frank Haneghen, Benjamin H. Freedman, George H. Schuyler, Walter L. Reynolds, Roy M. Brewer, Hon. Richard Arens, Hon. Spruille Braden, Merwin K. Hart, Frederick Koch, Joseph Pew, Brig. Gen. John Thomas Taylor, Maj. Gen. Robert E. Condon, Archibald B. Roosevelt, Mrs. Mary Markward, Ruth Montgomery, Mrs. William Sherman Walker, Alice Widener.

Freedom Award as a tribute to the memory of 25 deceased Americans: Mrs. Grace L. H. Brosseau, Homer Chaillaux, Gen. Clair L. Chennault, Hon. Bainbridge Colby, Hon. Herbert O'Conner, Hon. John Costello, Hon. John Foster Dulles, Hon. James S. Forrestal, William Green, Rev. James M. Gillis, William R. Hearst, Hon. Charles Evans Hughes, Harry A. Jung, Alfred Kohlberg, Hon. Patrick McCarran, Hon. Joseph R. McCarthy, Col. Robert R. McCormick, Hon. Lee S. Overman, Walter S. Steele, Ben Stolberg, Hon. Robert A. Taft, John B. Trevor, Rev. Edmund A. Walsh, Edwin S. Webster, Hon. Herman Welker.

These Freedom Awards are only to be presented at meetings or functions of the Order of Lafayette. It was decided not to include any former Communist in the lists many of whom have been very helpful in exposing the Communist conspiracy in the United States.

Mr. Fish, who was chairman of the first congressional committee—1930–31—to investigate communism told the Order of Lafayette convention that the most important organizations in fighting communism were the Catholic Church, FBI, the American Legion, the American Federation of Labor, and the congressional committee. These important groups, together with other veterans and civilian organizations, and numerous individuals throughout the Nation have been the real pioneers fighting in the front lines against communism in America for the past 30 years. At that time communism was a powerful force in the United States. The executive committe of the CIO was dominated by Communists. The American labor party in New York State composed of Communists and fellow travelers cast half a million votes. Fortunately, it is now extinct.

Today, due to the tireless and fearless efforts of numerous anti-Communist organizations, groups and individuals in exposing and combating communism, aided by public opinion, the Communists have been reduced in the United States to a comparatively small number of fanatics and fellow travelers. On the other hand, world communism has grown steadily into an appalling and dangerous menace to the free nations of the world including the United States.

The Honorable Charles Evans Hughes, as Secretary of State, on January 21, 1924, told a committee of the U.S. Senate:

> It will be seen that the question of whether Communist programs contemplate the use of force and violence has been passed upon by every class of tribunal which would pass upon it; namely, Federal and State courts, administrative tribunals and legislative committees of both Federal and State governments and in every case the result has been in support of the position that force and violence are inseparable from communism. * * * The essential fact is the existence of an organization in the United States created by and completely subservient to a foreign organization striving to overthrow the existing social and political order of this country. The subversive and pernicious activities of the American Communist Party and their subordinates and allied organs in the United States are activities resulting from and flowing out of the program elaborated for them by the Moscow group.

The Hughes factual declaration of reality and truth was subsequently endorsed by every investigating committee of Congress that the Communist Party was subversive and advocated and taught the overthrow by force and violence of the Government of the United States. It has taken 37 years for action by the U.S. Supreme Court to hold that Communists must register as agents of a foreign power.

Communists and fellow travelers are resisting and fighting this decision which should have been made years ago. It will be up to Hon. Robert F. Kennedy as Attorney General to enforce the decision of the Supreme Court as soon as the Frankfurter injunction or stay has expired.

For 30 years congressional committees have been investigating Communist and subversive activities in the United States. For 25 years, the House Un-American Activities Committee has been exposing the Communist conspiracy in our midst without fear or favor. This committee has incurred the bitter hatred of Communists and their fellow travelers because they have been successful in smashing communism wherever it raised its head in America, deporting alien Communists, driving Communists out of the Federal, State, and city governments, including our schools, and finally having the party outlawed and its members required to register as agents of a foreign power.

The Communist campaign against the Un-American Activities Committee is full of sound and fury, but it is as futile as New York snowflakes in July and rightly so as the American people overwhelmingly support the watchdog efforts of the House Un-American Activities Committee to expose and combat communism throughout the Nation.

Our very existence is at stake and time is running out. Almost all American citizens know today that world communism is a huge deadly conspiracy against freedom in the United States and throughout the world. Veritas magna est et praevalebit—The truth is mighty and will prevail.

Schedule of Post Office Tour

EXTENSION OF REMARKS

OF

HON. WILLIAM G. BRAY

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 27, 1961

Mr. BRAY. Mr. Speaker, one of the most important duties of a Congressman is maintaining close contact with his constituents so that he may know their views and problems.

To supplement the other contacts that I have with voters of the Seventh District of Indiana, I customarily make a tour of each post office during the adjournment period. It requires a month to reach each of the more than 100 offices in the 11 counties of the district, but I have found it eminently worthwhile as it enables me to meet and talk with thousands of constituents.

Here is the schedule I will follow in my post office tour this year:

Thursday, November 9: 9 a.m., Oakland City; 10:15 a.m. Somerville; 11 a.m., Mackey; 12 a.m., Fort Branch; 1:30 p.m., Owensville; 2:45 p.m., Haubstadt; 3:45 p.m., Buckskin; 5 p.m., Princeton.

Friday, November 10: 8 a.m., Francisco; 9 a.m., Patoka; 10 a.m., Hazleton; 10:30 a.m., Decker; 11:30 a.m., Vincennes; 2 p.m., Monroe City; 3 p.m., Wheatland; 4 p.m., Bruceville.

Monday, November 13: 8:30 a.m., Emison; 9:30 a.m., Oaktown; 10:30 a.m., Freelandville; 11:30 a.m., Ragsdale; 1:30 p.m., Bicknell; 2:30 p.m., Edwardsport; 3:15 p.m., Westphalia; 4 p.m., Sandborn.

Tuesday, November 14: 9:30 a.m., Indian Springs; 10:30 a.m., Shoals; 11:30 a.m., Loo-

gootee; 1:30 p.m., Alfordsville; 2:30 p.m., Burns City; 3:30 p.m., Crane.

Thursday, November 16: 8:30 a.m., Harmony; 9 a.m., Knightsville; 10:30 a.m., Carbon; 11 a.m., Brazil; 1:30 p.m., Staunton; 2 p.m., Cory; 3:30 p.m., Poland.

Friday, November 17: 9:30 a.m., Bowling Green; 10:30 a.m., Centerpoint; 11:30 a.m., Clay City; 1:30 p.m., Coal City; 2:30 p.m., Patricksburg; 3:30 p.m., Spencer.

Monday, November 20: 9 a.m., Freedom; 10 a.m., Gosport; 11 a.m., Quincy; 1:30 p.m., Eminence; 2:30 p.m., Hall; 3:30 p.m., Monrovia.

Tuesday, November 21: 8:30 a.m., Harrodsburg; 9:30 a.m., Smithville; 10:15 a.m., Clear Creek; 11:15 a.m., Stanford; 12:15 p.m., Bloomington; 2:30 p.m., Unionville; 3:30 p.m., Ellettsville; 4:30 p.m., Stinesville.

Wednesday, November 22: 9 a.m., Solsberry; 10 a.m., Owensburg; 11 a.m., Koleen; 12 a.m., Bloomfield; 1:30 p.m., Doans; 2:15 p.m., Scotland; 3:15 p.m., Newberry; 4 p.m., Switz City.

Monday, November 27: 8:30 a.m., Worthington; 9:30 a.m., Jasonville; 10:30 a.m., Coalmont; 11:30 a.m., Midland; 12:30 p.m., Linton; 2 p.m., Marco; 3 p.m., Lyons.

Tuesday, November 28: 9 a.m., Farmersburg; 10 a.m., Shelburn; 11 a.m., Hymera; 12 a.m., Sullivan; 2 p.m., Fairbanks; 3 p.m., Graysville.

Thursday, November 30: 9:30 a.m., Merom; 10 a.m., New Lebanon; 11 a.m., Paxton; 12 a.m., Carlisle; 2 p.m., Pleasantville; 3 p.m., Dugger.

Friday, December 1: 9 a.m., Odon; 10 a.m., Elnora; 11 a.m., Plainville; 12 a.m., Washington; 2 p.m., Montgomery; 3 p.m., Cannelburg.

Monday, December 4: 8:30 a.m., Edinburg; 9:30 a.m., Needham; 10:30 a.m., Whiteland; 11:30 a.m., New Whiteland; 12:30 p.m., Franklin; 2 p.m., Bargersville; 3 p.m., Greenwood; 4 p.m., Smith Valley.

Wednesday, December 6: 8:30 a.m., Nineveh; 9:15 a.m., Trafalgar; 10 a.m., Morgantown; 11 a.m., Centerton; 12 a.m., Mooresville; 2 p.m., Brooklyn; 3 p.m., Paragon; 4 p.m., Martinsville.

Report to the Citizens of the First Congressional District of the State of New Jersey

EXTENSION OF REMARKS

OF

HON. WILLIAM T. CAHILL

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 27, 1961

Mr. CAHILL. Mr. Speaker, I am taking this opportunity to review the activities of the 1st session of the 87th Congress. This is intended to express my personal viewpoints concerning the accomplishments and failures of the last session and to pinpoint some of the vital problems which should be given early attention by the Congress and the executive department in the next session.

Overshadowing all other problems facing Congress during the period from January to September were the crises brought on by developments in Cuba, Laos, and Berlin. To combat these developments, Congress acted in a bipartisan manner to pass legislation providing for vast increases in expenditures for our Armed Forces. Legislation was also passed to permit the President to extend enlistments for a 1-year period and to summon 250,000 reservists to active duty. Furthermore, an expanded space program was approved by the Congress. Great concern was expressed by some Members on the gap between the United States and Soviet Russia in the race for the conquest of space. The feats of Alan Shepard and Virgil Grissom not only heartened America but brought to the attention of the world the closing of the space gap. The President's recommendation to the Congress that the United States send a man to the moon and the approval of this project by the Congress have demonstrated to the world in general, and Soviet Russia in particular, our determination to excel in the exploration and conquest of space.

During the past session, the Congress also enacted a mutual security bill providing approximately $4 billion for aid to other nations in their fight against communism. This bill was a very controversial one since some Members questioned the value of spending vast sums for assistance to other countries. My vote in favor of this bill was based on the conclusion that this expenditure is necessary because, by helping others to combat poverty and disease, we are really defending America against the inroads of communism. Furthermore, statistics show that a considerable portion of the sums authorized for mutual security are spent in businesses in the United States and thus have favorable effect on our own economy.

In the passage of the mutual security bill, the Members approved the administration of foreign aid on a long-range—5-year—basis but continued the strong supervision and control of expenditures by Congress through its Appropriations Committee. It is my own observation that every Member should closely examine all expenditures for foreign aid to insure that our money is allocated to free nations with discretion and without any waste or extravagance. It is my strong belief that a great deal of the opposition to the mutual security program on the part of citizens and Members alike was generated by the many examples of waste and extravagance on the part of those administering the program. Congress has insisted that these abusives be eliminated, and it is my sincere hope that the corrective measures recommended by the Congress and supervision by the Appropriations Committee will bring about an economical and a just administration of this entire program.

The Congress reflected its viewpoint on the admission of Communist China to the United Nations by overwhelmingly adopting a resolution indicating its opposition to the admission of Communist China in the U.N. I voted for the resolution.

With emphasis on world peace, legislation was enacted providing the creation of a Disarmament Agency. To clarify any confusion existing as a result of the creation of this new Agency, I want to say it is not the intent to set in motion any immediate disarmament but rather to plan the arrangement of disarmament in the future upon the termination of the terrible threats to the safety of our own country. The President and the Congress were hopeful that the passage of the disarmament bill would have an important psychological effect on peace throughout the world.

The Peace Corps recommended by the President was also approved by the Congress. Some people believe the religious missionaries of various faiths have been carrying out the purposes of this organization for a long time, and some are skeptical of the efficacy of the Peace Corps. But, in a world fraught with danger and with the fight continuing to influence the minds of men in the struggle between democracy and communism, it was believed by the majority of the Members that the Peace Corps, composed of young dedicated people working for nominal salaries in the far corners of the world, might provide some answer in the quest for peace. I am certain that the Corps will be watched carefully, and that it will not receive renewed appropriations if it does not justify its existence.

It must not be forgotten that it became necessary for this Congress to approve $90 billion in appropriations—the largest peacetime budget—and to pass other drastic measures because of serious mistakes in our past foreign policy, particularly with respect to Berlin. In this report, there is no attempt to establish responsibility for these mistakes. On the other hand, we must eliminate the possibility that similar mistakes will be committed in the future by implementing a foreign policy which is clear-cut and thoroughly understood not only by the American people but by all peoples throughout the world.

Having personally visited the city of Berlin, I can attest to the problem created by the decision of the past—to divide Berlin. This difficulty is emphasized, of course, by the fact that Berlin is entirely surrounded by East Germany. The dramatic flow of East Germans through Berlin to West Germany was a continuing embarrassment to Soviet Russia. No place in the world demonstrates so clearly the vast difference between the accomplishments of a free people in a free society and the failures of a slave people in a communistic society as does the city of Berlin. The United States has a legal and moral obligation to Berlin, and this was presented in a forceful manner to the United Nations by President Kennedy in his recent speech in New York City. The President's forceful stand on Berlin has the complete support of the Members of Congress. This position was made known to Khrushchev by the President in a face-to-face meeting and has been restated time and time again, not only by the President and the Secretary of State, but by leaders of both political parties in the Congress of the United States.

Turning to our domestic problems, the Congress acted on many important pieces of legislation. In the early weeks of the session, Congress passed a bill providing for temporary extension of unemployment compensation to combat the recession. Moreover, favorable action was given to the passage of an area redevelopment bill to assist some areas in handling the prominent problem of unemployment in their communities. I supported both of these measures.

I voted for the liberalization of the Social Security Act providing for higher cash benefits to certain widows effective September 1. The amendment of the Social Security Act also permits male workers to retire at the age of 62—an option previously given to women at a former session. The social security payments are produced from a trust fund, and necessarily this must be kept on a sound actuarial basis. Consequently, many liberalized proposals were not adopted by the Ways and Means Committee of the House of Representatives, because the payment of these additional benefits would have required additional assessments on employer, employee, and self-employed. One of the omissions, however, which, in my opinion, requires correction during the next session in January, is that pertaining to widows who are receiving payments based on their own former employment. Under the present amendment, only widows receiving social security by reason of their husband's employment benefit by the increased payments. I have urged the Ways and Means Committee to pass remedial legislation in the next session to correct this inequitable situation.

The Congress enacted a minimum-wage law raising the minimum wage to $1.15 an hour and then in 2 years to $1.25. It also provided for extended coverage to 3.5 million additional citizens. This bill is identical to the one suggested by former President Eisenhower in the 86th Congress. I heartily endorsed the legislation in both instances. In addition to providing the worker with a living wage, this bill was, in my judgment, most helpful to the industries and businesses of our area. We have, in many instances, lost contracts through competitive bids with other industries and businesses located in cheap labor areas which did not pay the wage earner the minimum wage which is now mandatory. The revision will make for more equitable bidding and should enhance the possibility of contracts coming into our section of the country.

The housing bill of 1961 was also enacted. This bill contained many features which I did not like, but I supported the measure because it provided aid for college housing and granted some assistance to the elderly. I personally introduced an amendment to the bill on the House floor. This amendment which was successfully passed by the Congress provided for the allocation of certain funds to study mass transportation. It is my hope that this study will provide some solution to the problem resulting from the daily transportation of large masses of people from urban to suburban areas. This latter problem is acute in certain sections of the First District, particularly in the area surrounding the Benjamin Franklin Bridge. Those citizens who travel from South Jersey to Philadelphia know the tremendous traffic jams that occur on the Crescent Boulevard, Route 130, Route 38, and Route 70. The entire problem of transporting workers from suburban homes to urban places of employment requires, in my opinion, serious, concentrated, and immediate study. The amendment which I presented to the House had this as its objective.

Domestically, it is my opinion this Congress also had some very disappointing failures. For example, it refused to enact an adequate civil rights bill which I vigorously supported; it neglected to devise new programs to bolster farm income and hold down surpluses, and it made no progress in the revision of some of our antiquated tax laws which hinder the development of business and industry in this country. No action was taken by the Congress in regard to aid to education, medical aid for the aged, and increased postal revenues because this legislation was never submitted to the Members. After legislation is approved by the committee considering it, it usually requires the approval of the Committee on Rules. These three subjects—education, medical aid, and postal increases—were not approved by either the committee considering them or the Rules Committee, and consequently, the full membership of the House never considered these proposals.

Favorable action was given to the passage of a bill providing for a new Office of International Trade and Travel which was inaugurated for the purpose of attracting tourists to the United States. The Congress also enacted a Highway Act which increased tire, tube, and truck taxes to keep the interstate highway building program on a pay-as-you-go basis Furthermore, during the session, the customs regulation relating to exemptions for those traveling abroad was reduced from $500 to $100.

As a member of the Judiciary Committee, I participated in the preparation of legislation which I believe will effectively curtail organized interstate gambling in the United States. For many years the Congress has considered similar legislation because it has long been recognized that controlled and organized gambling is interstate and requires interstate regulation and enforcement. It has also been recognized that gambling equipment, in most instances, is transported in interstate commerce, and that Federal legislation is absolutely necessary to prevent the shipment of gambling equipment. Thus, the bills approved by the Judiciary Committee which effectively curtail organized interstate gambling in the United States were not only vital in the fight against organized crime, but were the first such bills approved by the House in more than a decade. As a member of the Judiciary Committee, I believe this legislation provides the Attorney General with the necessary authority to effectively continue the fight against organized vice in the United States.

I supported most of the bills approved by the Judiciary Committee but opposed its recommendation for the creation of 73 new Federal judgeships. I recognized the need for new judgeships, and my opposition was based on the conclusion that 73 additional judges exceeded our requirements and, therefore, caused some unnecessary expense to our Federal Government. Thus, the 87th Congress approved almost twice as many new Federal judgeships as had been recommended by the 86th Congress. Under the new bill, New Jersey will receive one additional U.S. district court judge.

During the session, I fought vigorously against the bill authorizing the deduction of the Philadelphia wage tax from the salaries of Federal employees. I am happy to report to the citizens of the First District that such legislation was not enacted during this past session.

One of the important problems confronting the people in the First District is the failure of the shipbuilding industry in the Delaware Valley to obtain new contracts for the construction of ships. Some of this problem is the result of the advantage enjoyed by southern shipyards who are not paying the same labor costs as the northern shipyards. I have brought the problems confronting the Delaware Valley shipbuilding industry to the personal attention of the President, Secretary of Defense and the Secretary of the Navy. In addition to this problem, many other industries, particularly the electronic and photographic field, have been faced with the importation of cheap electronic and photographic equipment from the countries of Europe and Asia. Several committees in the Congress are presently at work in an effort to find some workable solution to this serious problem.

During this session, a staff in Washington and in Camden serviced the needs of the more than 500,000 constituents in the First Congressional District. During the recess, the office in Washington and the office in Camden will remain open to service the needs of the people of the First District. My Washington address is room 1440, New House Office Building, House of Representatives, Washington 25, D.C., and my Camden address is 108 North Seventh Street, Camden 2, N.J.

All constituents are invited to bring to either office any problem they have with the Federal Government in which I may be helpful.

Patterns of Hope

EXTENSION OF REMARKS

OF

HON. HUBERT H. HUMPHREY

OF MINNESOTA

IN THE SENATE OF THE UNITED STATES

Wednesday, September 27, 1961

Mr. HUMPHREY. Mr. President, the rural electric systems throughout the United States meet each fall in 10 regional assemblies throughout the country. The first of these this year was at Eau Claire, Wis., September 11 and 12. Since then, meetings have been held in Columbus, Ohio; Mobile, Ala., and Richmond, Va.

Mr. President, I ask unanimous consent to include in the Appendix of the RECORD excerpts from the speech delivered at these meetings by Mr. Clyde T. Ellis, general manager of the National Rural Electric Cooperative Association. I call particular attention to the emphasis which Mr. Ellis has given in his speech to area development at home and abroad, and to the proposal which I have strongly advocated of exporting the REA cooperative idea to the developing countries of the world.

There being no objection, the speech was ordered to be printed in the RECORD, as follows:

Today I want to talk with you about patterns of hope.

A year ago I stood before you at this meeting to speak of days of decision—to discuss the great issues of our program within the context of a fateful time period.

That time period was the few weeks in which all of us as Americans were called upon to elect a new President and a new Congress. As citizens we were also deeply concerned with the worldwide challenge to democracy which was building in intensity day by day.

As leaders of the rural electrification program, we also had a direct and keenly personal interest in the events of those days. We were filled with hope that new names and new faces on the national scene would bring better understanding of our aims and aspirations.

The new faces came—new names, new voices which were just beginning to be heard in the land when we met last February at Dallas for what I believe was our greatest annual meeting.

Now, after a few months, we come together again to survey our directions. Many things have happened since Dallas which affect you—some good, some not so good.

But out of these events, patterns are forming which we believe must guide our activities in the future. Some of the patterns are drawn by new designers; some differ very little from the old patterns, but just enough to require us to learn new techniques.

We call them patterns of hope because through all of them runs a bright thread of faith in ourselves, our programs, and our country. All these patterns, we think, must be measured on the cloth of our national security and the position America must maintain in the world community of nations.

This is especially true today, when the things we do, the things we say, add to or detract materially from the image of America in the other countries of the world.

A PATTERN OF STRENGTH

What you have done in this program lies close to the heart of America and our entire national posture. Because you have brought electric power to the vast, sparsely settled land areas of this country, America is a stronger nation, much better equipped to stand up to the Communist challenge today, and to face whatever the future holds.

Because of you, electric power is out there wherever it's needed in America. A pattern of strength, of diversity, exists which would never have been possible without this program. Largely because of you, the United States enjoys her greatest advantage over the Soviets, that of our fantastic agricultural production. For all the people of America, wherever they live, this is clearly a pattern of hope.

In my opinion, the entire country in these dangerous times can be thankful for still another reason that we have had a rural electrification program. Through the years you, through your NRECA, have been consistent champions of resource development.

Due in large part to your efforts and those of our allied organizations, we have today a strong Tennessee Valley Authority and, because of TVA, we have Oak Ridge and a dozen other major defense centers—as well as power for 52 electric co-ops.

We have the Government's Bonneville power complex in the Pacific Northwest and, because of it, the Hanford Plutonium Reactor as well as power for many rural electrics. We have great new sources of power opening up in the Colorado River storage project, where industries vital to national security can develop far from the industrial and population centers of the East—assuming the necessary Federal transmission lines are built. And 70 electric co-ops depend on the lines.

We have harnessed the Missouri River to provide power and flood control and navigation for a long-neglected area of the country. We fought step by step for the Bureau of Reclamation transmission lines that stretch across that northern tier of States, and today those States are vital to the defense of America. The power, although limited, is there, and so are scores of rural electric systems to distribute it, and so are the missile bases and complex warning systems which defend our Nation.

The Southwestern and Southeastern Power Administration systems, the St. Lawrence and Niagara projects, and still others—all of which we supported—serve hundreds of rural electric systems and fit into this pattern of strength.

I think it is absolutely true that America's investment in rural electrification and natural resources would be fully justified on the basis of national security alone, aside from the multitude of other human and economic benefits which flow from these programs.

Actually, these self-supporting programs repay every dime of the Federal investment—as contrasted with the fast-tax-writeoff subsidies to the commercial power companies. These power company subsidies cost the people billions, and, it is widely believed, never produced one penny of good.

During the period between 1951 and 1957 the power companies were allowed fast-tax-writeoff subsidies on more than $3 billion of new plant investment—on the theory that they were building capacity for national defense. This was a joke, of course. In reality, they got the subsidy just for building the plants they would have built anyway for normal expansion.

They got, in effect, interest-free loans, whose benefits extending over a 33⅓-year period will amount to over $4.5 billion.

I think it is high time the Government takes a look at that whole power company subsidy program to see just what our Nation got, or didn't get, in return for the taxpayer's money.

How much extra power reserve, if any, do we have to show for those billions of dollars of power company subsidy? And did it result in lower electric rates to the people—or higher?

Your pattern of consistent support for the resource programs which have helped make America strong has almost been balanced through the years by power company opposition. It's high time this opposition be exposed to the light of day—something it cannot stand.

POWER COMPANY OPPOSITION

The fact that we have a dynamic program today, despite their opposition, gives us hope that greater progress can be made in the future.

This country is still doubling its demand for electricity every 7 to 10 years. Rural electric demand is doubling even faster, every 5 to 7 years. In addition to this normal demand, we are in a period of great world crisis and preparedness and it's almost certain that in the years immediately ahead the Nation will require tremendous amounts of power which are not now foreseen.

HANFORD GENERATORS

Certainly the one thing we can't afford is deliberate waste. And the power companies were wastemakers in their all-out campaign this year to defeat the authorization of generators for the Atomic Energy Commission's plutonium reactor at Hanford, Wash. By rallying the support of the coal companies, the mineworkers, and the power companies' usual big business allies, the power companies were able to knock the generators out of the AEC authorization bill in the House.

The giant plutonium plant there is being built. Enormous quantities of heat will be produced. This heat would produce steam to generate more than 800,000 kilowatts of electricity—55 percent of which would have gone to the commercial power companies.

Now, if the House does not reverse its unwise action next year, most of this heat will be blown into the air or into the Columbia River. What a symbol of waste.

What an image of America this provides for all the nations of the world that have so little, and which are trying so desperately to develop their own meager resources.

The conservative Washington Star said this after the Hanford vote:

"The real question at Hanford is whether, in the name of false ideology, it would be better to waste this steam than to turn it into kilowatts. Our Nation is not so wealthy, and never has been so wealthy, that it can afford intentional waste."

We agree. This waste of an invaluable resource is unforgivable. NRECA has a mandate from its membership to fight for the Hanford generators, and we shall go on fighting until those 800,000 kilowatts are on the line.

COLORADO RIVER TRANSMISSION LINES

But let us turn a moment to the Colorado transmission line fight. As I'm sure you know by now, we won that fight.

There is a very significant story behind our victory—one all of you should know.

At stake were transmission lines for the upper Colorado River storage project in the States of Arizona, New Mexico, Colorado, Utah, and Wyoming. The question was whether the Government or the commercial power companies would control the power generated at the Federal dams of this $1 billion system.

The proposed Federal system represents a real pattern of hope for the people of a vast area of the west—including the members of 70 rural electric systems who would be able to buy the power directly from the Government rather than from a power company middleman.

After careful studies both the Eisenhower and Kennedy administrations had agreed an all-Federal transmission system be built. These lines would protect the public interest.

The power companies wanted the Government to build some of the transmission system—provided the companies could build some vital tollgate lines so they would control the power, and its price.

The most ridiculous thing about these power company demands was that they would not be buying any of the power from the dams. Under the law the nonprofit distributors have a first call on that power, and the rural electrics and municipal systems will need every kilowatt of it.

All the companies wanted to do was set up their tollgates so that the people would have to pay a toll before they could buy their own power. This, too, would constitute great waste.

The power companies could just have logically demanded the right to own tollgates on farm-to-market roads, so the farmers would have to pay them tolls to sell their crops or buy supplies.

The power companies didn't get away with it despite the most intensive lobbying campaign in their history. They fought right down to the wire. Even after we had won in the House, the Senate committee adopted language in the report which would have nullified the victory. Fortunately, the Senate-House conferees specified language which removed this obstruction.

One of the most influential and highest ranking Members of Congress, who first went to the House before some of his present colleagues were born, wrote this to me during the height of this campaign:

"The power trust is making the most carefully organized and most determined fight against these transmission lines that I

have ever seen since I have been in the House."

In view of their all-out effort, I'm proud of the fight we made, and I'm proud of the victory. Our people responded magnificently to our calls for help, and I want especially to commend the statewide managers and editors. They helped organize support for these lines where it counted most—in the States and districts of the lawmakers who had to make the decision.

President Kennedy and his staff, and Secretary Udall, Assistant Secretary Holum, and others of their staffs really went to bat and worked closely in this Colorado lines fight, and I know you all join with me in saluting them for a job well done on behalf of our people, and on behalf of all the people of America.

The lesson we learned from Hanford and Upper Colorado will be invaluable to us as we plan for next year. We were disappointed that so little was done by Congress this year in the field of resource development. The fine program pledged by the President in the campaign just never got off the ground.

Next year we must fight as we've never fought before for the program you have adopted—a program that includes new projects like Burns Creek, the Potomac River development, revision of unrealistic Budget Bureau policies, adequate funds for an expanded generation and transmission (G. & T.) program of our own, funds for the Upper Colorado transmission system, high voltage common carrier transmission lines to tie the major power producing regions together, the full Hanford plant, the Trimble bill—which among other things deals with cost allocations in multipurpose projects—and the river basin intertie lines.

This year the power companies testified and lobbied openly against REA loan funds for the first time in several years. And, for the first time in many years, the final loan authorization was considerably below what our survey showed the need to be. We were able to persuade the Senate to increase the amount originally voted by the House by $50 million—and the House finally agreed—but the amount is still $35 million short of what our January survey showed the need to be—and we keep hearing about large potential G. & T. loan applications which were not reported to us in our survey—that we used before Congress to justify the amounts we requested. The applications not included in our survey, of course, will probably have to wait until after June 30, 1962.

NEW REA POLICIES

But despite our concern over adequate loan funds, there are patterns of hope in the actions and policies of the new REA Administrator. In these few months, Norman Clapp has moved boldly and positively to help rural electric systems solve pressing problems in the critical areas of power supply, territorial integrity, and rural area development.

He has been aided tremendously, of course, by the fine team he has assembled—including his deputy, Dick Dell, formerly of NRECA.

Perhaps his most dramatic action has been the approval of the Indiana G. & T. loan. This $60 million loan is a real breakthrough for our program, and, combined with the Administrator's new security criterion and his firm stand against dual rates and restrictive clauses in power company wholesale contracts, gives us real hope that we're on the way toward a measure of control over our supply of power.

The Administrator has also announced that REA will stand behind its borrowers in territorial disputes, and will offer certain technical and legal assistance. This can be extremely important.

I know you all join me in proudly saluting Mr. Clapp for the great job he has already done as REA Administrator.

AREA DEVELOPMENT

Perhaps the most significant new domestic pattern of hope to come from the present administration has been the attention given to rural area development.

At Dallas you showed your determination to help redevelop our areas, and following your mandate we successfully supported constructive legislation in this area which is beginning to show results.

The first loan made by the new Areas Redevelopment Administration, for example, went to a rural area of Arkansas where a rural electric cooperative had been particularly active in community development activities. NRECA, through its general manager, has been named to the 25-man advisory board for the Areas Redevelopment Administration, located in the Department of Commerce. We have been active there and in many other ways. We supported an amendment for rural housing in this year's housing bill, for example, and helped to get it passed.

NEW RAD SECTION IN REA

The Administrator has also set up a new section in REA for rural areas development, headed by Richard M. Hausler, former NRECA and State paper employee. This RAD section will give constructive help to any borrower interested in carrying out a development program, including, in some cases, section 5 loans for the electrical equipment used in a new industry.

The expanded REA program is a part of an accelerated overall rural areas development program of the Department of Agriculture. Secretary Freeman has announced his determination to go all out in pushing this development concept, and his Department is in a position to be of real help to you. They want, and need, rural electric leadership and support.

At this point let me make it clear that the RAD program of the Department of Agriculture is completely separate from the new Area Redevelopment Administration program of the Department of Commerce. ARA loan-and-grant assistance is available only to areas designated as depressed areas—although it may render other kinds of assistance in all areas. The Department of Agriculture program operates in all rural areas.

At the summer board meeting this year, the NRECA Board of Directors authorized us to hire an expert in rural development to work with the staff and the member systems. We finally found him in the person of Ellery Foster.

By the time of our 1962 annual meeting in Atlantic City next March, we should be able to give you some evaluation of the progress made by then in the rural development field. By that time these programs should be past the organization stage and producing some real results.

* * * * *

EXPORTING THE REA IDEA

So you see, the events at NRECA provide a pattern of hope that in the future we will do an even better job of joining together to do the jobs none of us could do alone—and help our people build richer, more rewarding lives.

But, to me, one of the most exciting and challenging concepts to enter our program in many years is the growing recognition that the rural electric program—including our rural redevelopment activities—provides a pattern of hope for the underdeveloped countries of the world. These countries, after all, have much in common with the rural America of 1935—or even of 1961.

This past summer, the NRECA Board passed a resolution urging the administration to "export" the REA idea to these struggling countries. The Board believed the REA concept would produce very real economic gains in these countries, and at the same time give the people a sense of belonging, of ownership, of control of their own destinies—a pattern of hope.

Our program has worked a miracle in this country—it can do the same in others. The cooperative approach which lighted our land can light others—and it can also provide credit, medical aid, water, fertilizers, machinery and other tools of progress.

Rural area development in the United States is much the same as rural area development in Colombia, Brazil, or anywhere else in the world—given the differences in culture and stages of economic growth. So our cooperative area development efforts also offer new patterns of hope to the world as well.

None of these things can be done tomorrow, but the human needs will be there the day after tomorrow; and as the President has said, "let us begin."

We presented the Board's new policy—to export the REA idea—to the President and the Congress. They agreed with us—and promptly called upon us—upon you—for help.

We have begun, and so have the administration and the Congress. The President is firmly committed to the concept of encouraging the development of cooperatives as a feature of our foreign aid program. An amendment to the foreign aid bill this year by Senator HUMPHREY also directs that this be done.

A representative of NRECA, Jerry Anderson, was appointed to a planning committee set up within the International Cooperation Administration (now the Agency for International Development) to plan the new cooperative programs. NRECA's general manager was named to the policy committee to make the final recommendations in this area. NRECA's president and general manager have been asked to participate in an Inter-American Cooperative Conference at Bogotá, Colombia, November 6–11. We have been asked for ideas and recommendations on how to help get cooperative programs going, particularly in Latin America, where the forces of communism are hard at work to turn traditionally friendly countries against us. We have been asked to name outstanding people from our program to help staff the new Agency for International Development. We have written to you managers about this.

I know we all want to do everything we reasonably can to help these countries develop cooperative programs. The people in these countries are looking for practical help—from whatever source.

A Washington newspaper recently carried a story about a small village in Colombia. It quoted a young teacher as saying:

"The people here are good people but easily led. They will follow the first side—the Russians or Americans—that comes here and convinces them. But they don't want to be deceived with false promises. They'll all cooperate with the Americans but they don't want projects left half-done."

This is the challenge we face. Communism does not start and fester and spread among the rich, but among the poor. And most of the people in the underdeveloped countries are poor—poor farmers. We owe them and mankind an obligation to help, because it is the right thing to do—and because our national interest requires it.

Today, we have responsibilities as citizens, as Americans which transcend any special interest. There is something good in our program which others less fortunate can use, and we must help them use it.

The only alternative to helping them is to build a shield of rockets around our own

country and sit here waiting for the world to explode. And, of course, this is no alternative at all—it's an open invitation to international suicide.

And so we identify ourselves as rural Americans with rural peoples everywhere. We identify our problems with their problems, our hopes with their hopes. Even in our major problems of rural electrification and rural area development we find common cause.

There are moments in the lives of men when hope and despair hang in such delicate balance that the scale can be tipped by even the sound of a voice.

That voice may be the voice of a President of the United States—speaking with a quiet and firm conviction of the rights of all peoples to a place in the sun.

Or, the voice may be yours, speaking at this meeting.

Or, the voice may come from Moscow or Peiping or Havana—now purring and praising, now ringing with a hysterical madness that sweeps across the lands of the earth like a chilling north wind.

For my part, I prefer not to stand and shiver in this wind. I prefer to use all the patterns of hope that are evident on every side of us. I prefer to believe that we shall win, because I believe we have the intelligence and the compassion to win.

The stakes are the stakes of humanity.

Mr. Shepley's "Well Chosen Words"

EXTENSION OF REMARKS
OF
HON. THOMAS B. CURTIS
OF MISSOURI
IN THE HOUSE OF REPRESENTATIVES
Wednesday, September 27, 1961

Mr. CURTIS of Missouri. Mr. Speaker, at an earlier page in the CONGRESSIONAL RECORD, A7936–A7937, I inserted a speech by Mr. Ethan A. H. Shepley, a prominent St. Louisan, dealing with our legislative processes in a democracy. The remarks, although made as a speech in 1957, contain ideas which are fresh today and which will be so long as man governs himself in the way we in America have chosen to do. These same ideas were contained in a later speech, to which I made reference, and I should like at this time to place in the RECORD the reactions of a leading St. Louis County newspaper to the ideas which Mr. Shepley presented. These reactions are included in an editorial entitled "Well Chosen Words" which appeared in the Watchman Advocate on August 30 of this year:

WELL-CHOSEN WORDS

Former Washington University Chancellor Ethan A. H. Shepley was talking considerable sense Monday when he told delegates to the convention of Theta Xi fraternity that the public is meddling too much in the decisions of their elected representatives in government.

Mr. Shepley pointed out that "the people are usurping powers they are not qualified to exercise. Persons holding elective offices have learned through bitter experience that they better do what is popular."

Mr. Shepley speaks as one who has observed the continuing growth of government by pressure and this one of the burgeoning weaknesses of our governmental structure today. No public official is free from it. Each group has an ax to grind and they grind it on the official. The result is that the group that applies the most heat usually gets the greatest service from its elective officials. This does not, by any means, indicate that any particular group because it gets the job done is best serving the public interest. More likely it means that it is solely serving its own interest and if the public happens to benefit in the exchange then the public is just lucky. If it doesn't it's just too bad.

The people presumably elect their officials because they consider them qualified. But, after the official is chosen then the special interests expect to take over. If the official is independent, seeks to administer his office strictly down the line he is accused of not cooperating and the wolves are immediately set upon him.

This was not the way our form of government was intended, but it is the way it is digressing and at a rate that bodes nothing but the least public good in the process. It is refreshing to see men of Mr. Shepley's stature recognizing it, and speaking out on it. It is to be hoped that others, just as enlightened, will also make it their business to do likewise in the public's own interest.

Scholarship in Politics

EXTENSION OF REMARKS
OF
HON. THOMAS B. CURTIS
OF MISSOURI
IN THE HOUSE OF REPRESENTATIVES
Wednesday, September 27, 1961

Mr. CURTIS of Missouri. Mr. Speaker, it has come to my attention that the Democratic national chairman, Mr. John Bailey, recently accused the Republican Party of only using scholars and intellectuals in the months before elections in contrast to the alleged Democratic practice of relying heavily on their advice. This speech, made at the American Political Science Association convention in St. Louis, is another example of the sloppy scholarship constantly indulged in by members of the Democratic Party hierarchy. In fact, I feel that if Mr. Bailey would have taken the trouble to have research done on his own remarks, he might find them to be inaccurate and unwarranted.

Within the past few months' time, I have been directing a special project on "Employment in the Dynamic American Economy" under the auspices of the House Republican policy committee. Some 24 leading academic and professional economists contributed study papers upon which were based the conclusions of a group of 48 Republican House Members. The papers were published. The economists, Democrats and Republicans alike, were eager to contribute their views without any repayment for their assistance, financial or otherwise. This was but a continuation in a series of Republican efforts to mobilize the minds of intellectuals throughout the United States and abroad.

Last year, the report, "American Strategy and Strength," under the direction of the gentleman from Michigan [Mr. FORD], also drew upon military and defense experts both inside and outside of the academic world. The study drew widespread attention and became the first in a Republican policy committee series designed to make the American public aware of the theoretical and the practical aspects of formulation and execution of positive GOP policy on an issue of great concern to the American people and to the world. This was continued this year under the leadership of the gentleman from New Jersey [Mr. FRELINGHUYSEN], who led a similar task force study of "American Education and a Free Citizenry." This study, published and widely disseminated as were the others, used the views of diverse individuals and groups prominent in the educational field as background for the participating Republican Congressmen.

I might also add that the Republican National Committee has established a permanent division for arts and sciences, and therein deals with over 8,000 academic persons throughout the country who have expressed some interest or concern with the Republican philosophy of government. They are kept abreast of Republican efforts in fields that would be of particular interest, and their participation in related topics or projects is always encouraged—12 months a year, year in and year out. The response to this program, under the direction of Dr. Earl Nehring, has been particularly encouraging in recent months.

In contrast to this, the so-called Kennedy task force reports, which seem to be the only evidence of scholarship on the part of the Democrats, contain no study papers. No parts of the reports are attributable to any responsible academician. Their overlapping is exceeded only by duplications and contradictions, as in the space report where they criticize our concentration on outer space under the Eisenhower administration a page before urging more attention for the outer space program. Democratic intellect, hasty and introductory in nature, only scratches the surface of true research in its haphazard attempts to be all things to all party members.

For the truth in this matter is that the Democratic members are not secure and united enough to sponsor research unless they know in advance their findings. Dishonest scholarship and rigged research of the Democratic Party stand in contrast to the Republican record in this regard. In fact, if Mr. Bailey was aware of research in the political field he would have by now read a scholarly analysis of "The Candidate" by Joseph Lyford, former Democratic candidate for Congress in Connecticut. Published by the Eagleton Foundation as part of their case studies in practical politics, the book refers to Mr. Bailey as a "journeyman psychologist, a poker player with a sense of humor, a listener, a collector, an executioner but not an executive, and a man with a natural preference for the top dog. He has been able, with very little effort, to avoid commitments to any philosophy of government whatsoever. I know of nobody in Connecticut politics who would suggest that Bailey is in politics because of a burning desire to serve his fellow man or to promote a given set of governmental principles or ethics. To remain State chairman means that under his direction the party must win elections and control as many

jobs as it can." I do not criticize Mr. Bailey for his attention to wining elections. Rather, I feel that his attempting to cast an aura of academic respectability around his partisan life of bungling, barking, and battling is an insult to the thousands of academic and professional experts who attempt to bring a ray of factual material to the political arena on occasion.

The Republican Party has put the facts on the line, based on the background studies of those who know whereof they speak. The Democratic Party has spoken where it should have acted—a common tendency in governmental circles these days. Mr. Bailey should apologize forthwith to the thousands of academic experts who have contributed so much to the scholarship of Republican policy studies.

Theodore Francis Green Airport

EXTENSION OF REMARKS
OF
HON. JOHN E. FOGARTY
OF RHODE ISLAND
IN THE HOUSE OF REPRESENTATIVES
Wednesday, September 27, 1961

Mr. FOGARTY. Mr. Speaker, on Sunday, August 13, 1961, the new Terminal Building at the Theodore Francis Green Airport in Hillsgrove, R.I., was dedicated, and many of my fellow Rhode Islanders were present to inspect and admire this outstanding, modern facility. The event marked an additional step in the continuing growth of air transportation which is so important to the economy of the State of Rhode Island and our Nation as a whole.

The great statesman for whom our Rhode Island airport is named, former Senator Theodore Francis Green, was present on that occasion, and delivered a short, but most interesting and enlightening address. In a few paragraphs, this able gentleman traced for those present the amazing expansion of air travel and commerce during the little more than a quarter of a century which marked the time which had elapsed between his public service as Governor of Rhode Island and the end of his fourth term in the Senate. This is but one small example of the great progress and development in this country which Senator Green has witnessed during his lifetime and his presence at the dedication of the terminal building at the Theodore Francis Green Airport, was, indeed, an historic occasion, and for that reason I wish to have his remarks placed in the Appendix of the RECORD.

Rhode Island was also honored on the occasion of the same dedication by having as the principal speaker, a native son, and resident of my district, the Honorable Robert T. Murphy, who was appointed Vice Chairman of the Civil Aeronautics Board earlier this year by our great President, John F. Kennedy. I would like also to submit Mr. Murphy's address for insertion in the Appendix of the RECORD:

REMARKS OF FORMER U.S. SENATOR THEODORE FRANCIS GREEN AT THE DEDICATION OF THE NEW TERMINAL BUILDING, THEODORE FRANCIS GREEN AIRPORT, SUNDAY, AUGUST 13, 1961

Mr. Chairman, Governor Notte, Mr. Murphy, invited guests, fellow citizens, it is good to be present here today at the dedication of this beautiful new terminal building. I have a special interest in this airport, because when I was Governor of Rhode Island, with the help of Federal funds obtained from the then Public Works Administration, we practically rebuilt this airport and provided not only for a new administration building, but also for new and extended runways for planes planning to use the airport for commercial business.

I can well remember my earlier trips to Washington to obtain funds from the old Public Works Administration, which was then under the command of the late Harold Ickes, Secretary of the Interior. I also remember the controversy in the old Public Works Commission as to whether it would be best to use cement or asphalt runways. In those days that was a big problem with engineers on both sides telling us which they believed was best for the airport. There was also a lengthy word battle as to what kind of lighting should go into the airport. With two of the largest electrical manufacturing companies in the world fighting for the contract, we finally succeeded in having the Public Works Administration advance the funds so that we could proceed with the construction of the airport. On the day we dedicated this field, Col. Roscoe Turner, a world famous aviator, who is now the manager of the State airport at Minneapolis, flew in from the west coast to help dedicate the field.

In those days I was particularly interested in Rhode Island's having one of the best airports in the country, and today I am heartily pleased with this new and beautiful addition to our airport facilities. The public officials, the architects, and the contractors who brought it about are worthy of our hearthy congratulations and thanks.

I am, indeed, pleased that your principal speaker here today, Robert T. Murphy, is a Rhode Islander who has recently been named by President Kennedy as Vice Chairman of the Civil Aeronautics Board. Bob Murphy was chief counsel for me when I was chairman of the Senate Committee on Privileges and Elections. We investigated together some very important senatorial elections. Since those days Bob has gone from politics to aviation, and has won the respect of many Members of the U.S. Senate who admire his qualifications and ability to serve as an Administrator.

Again let me thank you for this opportunity to say a few words at these ceremonies.

REMARKS OF THE HONORABLE ROBERT T. MURPHY, VICE CHAIRMAN, CIVIL AERONAUTICS BOARD, ON THE OCCASION OF THE DEDICATION OF THE NEW TERMINAL BUILDING, THEODORE FRANCIS GREEN AIRPORT, HILLSGROVE, R.I., SUNDAY, AUGUST 13, 1961

I am deeply honored by the invitation of Al Tavani, Rhode Island's able administrator of aeronautics, to participate with my fellow citizens of Rhode Island in the formal dedication of this magnificent new airport terminal building. It affords me an opportunity to return to my native State and to share with you the justifiable interest and pride which we have in the progress and development of transportation facilities in this great commericial region of America.

More than that, however, I am grateful for the opportunity to play a part in the dedication of an important transportation facility which bears the name of one who has played a most important role in the economic and social progress of this State and this Nation—Theodore Francis Green. It is interesting to observe that his life, which he lives with vigor and enthusiasm, has spanned the scientific evolution in transportation which has taken us from the plodding, horse-drawn vehicles to the jet engine, which is capable of propelling man at nonstop supersonic speeds through varying altitudes of the airspace to any quarter of the globe. He has lived that period of great transition, not as an idle observer, but as an active participant in and contributor to it. On behalf of the aviation industry of the United States, may I extend our thanks and appreciation to Senator Green for his various contributions to its promotion and development over the years.

The dedication of this new airport terminal is an event of significant importance, not only from a local point of view but also from the standpoint of the national interest. Together with similar airport facilities in hundreds of cities and communities throughout the 50 States, it constitutes a vital link in the air transportation system of our Nation. More and more of our national commerce—both persons and goods—are flowing through airports. In the light of the almost explosive growth of air transportation during the past decade and the portent of even greater expansion during the sixties, the importance of a system of airports adequate to meet present and future needs of air commerce is self-evident. Quite obviously, terminals must be kept abreast of, and in balance with, the phenomenal growth in the use of our Federal airways.

Today, air transportation is the principal means of interstate and foreign travel for passengers. It has exceeded the records of both the railroads and the transatlantic steamship operators. Last year, more than 57 million passengers traveled on our commercial air carriers. According to our forecasts, airborne passengers carried by our commercial air carriers will total 93 million by 1965 and 118 million by 1970. Moreover, airfreight or aircargo, which is still relatively in its infancy, will show marked progress in the next 5 or 10 years with the advent of uncompromised all-cargo aircraft which promise the hope of sharp reduction in current transportation costs.

Accordingly, it is not difficult to comprehend that an essential element in the safe development and expansion of our air commerce is a well-integrated system of airports designed to provide adequate facilities at both origin and destination of each flight. It is in this sense that they are vital links in our transportation system. It would be foolhardy, indeed, to spend increasing sums on the development and maintenance of adequate Federal airways and to ignore the fact that these highways of the sky must begin and end at a ground facility, or, if you will, an airport—an airport which, like that here in Providence, is experiencing a tremendously increasing volume of traffic of all kinds.

It is well to remember, however, that airports are essential, not only to provide for regularly scheduled services of air carriers, but also to meet the growing needs of general or private aviation, and the significant public need of our national defense. In recent years, thousands of business organizations and individuals have come to depend upon air travel by aircraft which they personally own and operate. A fact worthy of emphasis is that the total number of aircraft in the general aviation field far exceeds that of the commercial carriers—more than 70,000 in comparison with some 2,000 and accounts for more total flying hours than the commercial air fleet.

It is interesting to note that, last year, right here at the Theodore Francis Green

Airport; there were more than 40,000 landings and takeoffs accomplished by general aviation aircraft as compared to 25,000 by air carrier aircraft. This gives us some idea of the extensive use of airport facilities by members of the general public other than our common carriers. Just as Federal and local governments have found it necessary to provide an adequate system of public roads, so, too, must new airport facilities be provided which are adequate to safely accommodate private as well as commercial aircraft.

Moreover, one of the most significant public needs met by our airport system is that of national defense. This airport, like many others throughout the country, is open on a round-the-clock basis for the free use of military aircraft, some of which are based here. The Federal airport development program, on which millions have been expended in recent years, provides auxiliary facilities through which emergency services may, if necessary, be conducted. We all hope that the day will never come when such use must be made of our civilian airports, but you can well appreciate that, in the event of military action, airports such as this one would constitute true bastions of aerial defense.

Because this ceremony is taking place in our native State which is rich in early colonial history, I cannot help but recall that in the year 1643, Roger Williams and a brave band of colleagues sailed from these shores for London to secure a royal charter of property entitlement and political rights. History tells us that trip of Roger Williams across the storm-tossed Atlantic took many weeks. Today, as we dedicate this port on the ocean of the air, it is appropriate for us to note that here, through this modern facility, we, the descendants of Roger Williams have a means of transportation, not only to all the principal cities of the United States, but also on our U.S. international air carriers, the ability to go anywhere in the world without losing a night's sleep. Thus, to breakfast in Providence Plantations, at the head of Narragansett Bay, and to dine in London, on the Thames, which would be a wild fantasy beyond the vision of our Rhode Island founders, is an accepted fact for those of our generation.

I like to think that I am participating in the dedication of a public airport facility which is capable of serving, not only the needs of our most densely populated community—namely, the city of Providence, but also, because of its unique location within one-half mile of the proposed route of our Interstate Highway System—one which can serve all our communities because it will be no more than 30 minutes away from any population center, large or small, in our State. This is a transportation achievement unmatched by any State in the Union. The Theodore Francis Green Airport, therefore, can serve the needs, insofar as scheduled airline service is concerned, of the entire State of Rhode Island and even nearby parts of Massachusetts and Connecticut. By channeling scheduled airline service through this single great airport, we can preserve the adequacy and safety both in the air and on the ground of transportation service to this part of New England and, hence, better serve the needs of the population for convenient, safe and swift airline service.

This airport meets all the requirements of the basic criteria established by the New England Council in its master plan for New England airports to serve the scheduled air transportation needs of New England. Its runway lengths, its round-the-clock air traffic control surveillance, its instrument landing system, and its convenient ground distance from populated areas throughout the State and adjacent areas in Connecticut and Massachusetts make it a true regional airport within the contemplation of the New England Council, the Federal Aviation Agency, and the Civil Aeronautics Board.

This building represents a joint effort of both State and National Governments. The Federal contribution was justified, not only because of the factors I have mentioned, but also because of the complete Federal responsibility for the conduct of air traffic control, weather observation and postal operations. Therefore, I congratulate my fellow citizens of Rhode Island, our Governor, John Notte, our administrator of aeronautics, Al Tavani, and all others who have worked so diligently to make this a reality. It represents a striking contrast to the dedication of the State airport here at Hillsgrove 30 years ago when grass runways on a cleared area of 158 acres and a collection of nondescript hangar buildings opened Providence as a harbor on the ocean of the sky.

This new terminal building is a contribution to the asset side of our national ledger. It represents, as we know, a sacrifice on the part of the taxpayers of this State, but, in the words of our great President, John F. Kennedy, it is well to recall at this moment of our national life:

"This Nation cannot afford to be weak, it must afford to be strong."

Louisville After Integration

EXTENSION OF REMARKS
OF

HON. ABRAHAM J. MULTER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 27, 1961

Mr. MULTER. Mr. Speaker, on September 10, 1956, the city of Louisville, Ky., integrated its public school facilities. Below is an article from the September 1961, issue of the Anti-Defamation League Bulletin which tells what Louisville is like in 1961—5 years after integration. It illustrates a lesson which we all can make use of in our relations with those around us.

The article follows:

THE LOUISVILLE STORY—AFTER INTEGRATION

(By Gertrude Noar)

Louisville planned carefully for the day. Now, 5 years later, studies show that good teaching has brought about gains in achievement for Negro and white children.

"On September 10, 1956, when Louisville, Ky., opened its public schools, roughly one of every four children admitted was a Negro. This took place, in one of the great slave-trading centers of the Old South, without violence, without mob action, with hope for the future."

These words, from the book "The Louisville Story," by Omer Carmichael and Weldon James, were written soon after the event. This is the story of what happened next to Louisville's children and schools, in the years after September 10, 1956—the day "some of the customs and traditions of centuries ended."

It was clear back in 1956 that the city of Louisville itself was the hero of the peaceable transition from segregated to desegregated schools. Many of Louisville's citizens had worked for more than 2 years—ever since the 1954 Supreme Court decision—to prepare for the day. What they achieved has been called "a triumph of man's ability to solve some of his most vexing problems with reason and good will."

Louisville today is essentially a border State city with a distinctly southern atmosphere. Some of its 400,000 people live in stately and big old homes, far more live in friendly, small brick-and-limestone structures. Few of the school buildings in the heart of the city are new, but in the outskirts, and in surrounding Jefferson County, there are many new-style one- and two-story schools of several wings and spacious lawns.

Probably few visitors to the city concern themselves with Louisville's schools. There are too many blandishments around—the Kentucky Derby for instance. Some of Louisville's stores reflect the atmosphere of money casually won and lost; there are dresses selling at $200 and $300 apiece in shop windows. And Kentucky bourbon and bourbon bonbons are part of the city's pattern of convivial living.

It is also a city of some culture; the local philharmonic orchestra as well as touring orchestras provide a season of good music in Louisville's municipal auditorium. Popular Broadway plays are staged there, too. A good public library system lends, not only books, but records, feature-length films, and framed paintings to satisfy many levels of taste.

Some of Louisville's restaurants, including those in the two leading hotels, have desegregated along with the schools. Many small restaurants, however, and those in the two large department stores, still discriminate on the basis of race. Last spring, Negro students from high school and college, joined by some of their white classmates and professors, staged demonstrations to fight such discrimination. Crowds gathered to watch the picket lines as the students sang "Freedom" until the police carted them off to jail for obstructing traffic.

Soon after desegregation started in 1956, I visited Louisville to see how it was faring and what effect it had on children and their teachers. Despite the peaceable transition, September 10, 1956, had obviously been a day of anxiety and doubts. One of these is illustrated by a story circulated in Louisville that first fall. A 6-year-old girl was about to begin her long years of schooling that September 10. Her family gathered around her with last minute warnings as she left for school dressed in starched pinafore. She returned soon after 3 o'clock, skipping down the street. Again the family gathered: "How did it go, Sue Ellen? Is your teacher nice? Was there any trouble? Were there any colored in your room?"

"Oh, yes," the girl said, "Mary-Jane, a little black girl, sat next to me. We were both so scared we held hands all day."

Voluntary transfers had been offered as one of the steps in the desegregation process. At first, only a few Negroes had moved into white schools but, as those children brought reports of good treatment back to their families and friends, increasing numbers made the change. A reverse trend also set in; for many reasons, some children wanted to return to more familiar surroundings.

Teachers and students had the most difficult situations in secondary schools. Some teachers were prepared to pity the Negro boys and girls, believing them unable to reach the standards, but were unprepared to do anything about it. Other teachers felt that the students' problems were caused by the fact that they came from socially underprivileged homes, or that they didn't have money to buy books, or that they were suffering from lack of encouragement from both parents and teachers. These teachers were able to take steps to help them.

I visited an elementary school and saw very good teaching, indeed. White and Negro children—and their parents—expressed their appreciation of cultured and very able Negro principal and teachers. They had already stopped seeing color. Whatever the race of a good reader, he was praised and allowed to help his classmates. In one such classroom, I noticed that a group of 7-year olds, who happened to be Negro,

were following the text, but reading the small-print directions intended for the teacher. I asked the teacher why. "Why shouldn't children do as much as they are able?" she said.

It was clear in all schools that socio-economic background had much to do with a child's performance. When the white children were better dressed and better fed, they seemed to be the brightest in the school; when the white children were obviously poor and underprivileged, but the Negro children appeared to come from middle-class backgrounds, then the Negro children excelled.

During that first year, teachers and children worked very hard. There was excitement, tension, and wonder. Could they count on good results? Some teachers asked: "Isn't it likely that standards will be pulled down?" Some said: "After all, the Negro children weren't well prepared and isn't it true that many are apathetic and indifferent?"

Someone needed to get answers to these questions quickly. The person who did so is Dr. Frank Stalling at Louisville University, associate professor of education and coordinator of elementary student teaching at Louisville University. His first step was to set up a study of the immediate effects of integration on scholastic achievement in the Louisville public schools. More than 3,000 white and 1,300 Negro children on the second, sixth, and eighth grade levels were included. Tests administered before integration showed that Negro students were performing at levels lower than whites (from 5 months to 1 year and 2 months lower) depending upon the grade and subject or skill tested. The second testing period took place in 1957, after integration had been achieved.

The full report of this study appeared in the Journal of Negro Education, fall, 1959. An analysis of test results shows that since integration:

Among white pupils, gains in achievement amounted to 1.2 months at the second grade level; 9 months at the sixth grade level; and an average of 2 months in all subjects at eighth grade level.

Among all students, white and Negro, the gains were still greater: 3 months at the second grade; 5 months at the sixth grade; an average of 1 month in all subjects at the eighth grade. (Reading alone gained 4 months at the eighth grade level.) There had never been gains as great in a similar period in the past.

Seventy-five supervisors, principals, teachers, and students were interviewed. Only one person felt that integration had a negative effect on the motivation of pupils or teachers. All the others felt that integration had provided varying degrees of motivation to all concerned.

These conclusions were drawn from the study:

Scholastic achievement showed substantial gains for all, although greater gains were made by Negroes than whites.

Improvement seemed to be due in part to increased motivation, especially for Negro teachers and pupils.

The record of Louisville may serve to reassure those who fear that the immediate effect of integration is to lower levels of achievement.

As thus recorded, the immediate results of integration in Louisville were positive. They reflected hard work and the fact that many teachers made real efforts to give Negro children security, acceptance, and a feeling of being wanted; emotional needs which must be satisfied if children are to achieve their best.

Dr. Stallings later set about studying longer term results of desegregation in Louisville. In May 1959, another study was made, and reported under the title "Changes in Academic Achievement Since Integration." This time, median scores on tests in all subjects for all children were shown to be about the same as national norms. In other words, the achievement of white and Negro pupils was higher; a particularly substantial gain had been made by Negro students. All this was accomplished without any comprehensive or conscious program to preserve standards. And it was done despite the fact that the Negro children come from homes that have been buffeted by a variety of destructive forces—age-old social rejection by our culture, special tensions created by knowledge of violence directed against Negroes elsewhere.

The Louisville experience is heartening, but it is hardly unique. Wherever good teaching goes on, wherever a community cooperates with teachers who believe and act on the principle of the worth and dignity of each individual, children grow, develop, and flourish.

Tax Revision Needed

EXTENSION OF REMARKS
OF
HON. PHIL WEAVER
OF NEBRASKA
IN THE HOUSE OF REPRESENTATIVES
Wednesday, September 27, 1961

Mr. WEAVER. Mr. Speaker, as this session of the 87th Congress draws to a close, I would like to make note of the fact that we have omitted one very important thing—a sound and solid revision of our tax structure. Our tax laws need overhauling to meet the demands of the 1960's and to give the people the relief they so badly deserve from double or dual taxation, from unsound and unfair taxes and from taxes piled on taxes.

Instead of this, we once again got piecemeal tax legislation to work with in the House. We did pass a tax numbering system which will modernize the efforts of the Internal Revenue Service. However, efforts in other fields of taxation seemed almost shotgun in their effect, rather than a concentrated effort at overhaul.

I was extremely pleased that tax inequities imposed on the clay products industry were, to some extent, alleviated. This was a just decision on the part of the Congress. However, there are needs for other industries as well, and a need for a complete new look at our business tax setup to determine how best we can assist business expansion. The proposals made by the administration this year were obviously unsound and to a degree unfair.

We must also reexamine our policy on transportation taxation to eliminate inequities there. The first step should be to do away with the unsound 10 percent tax on passenger travel of all kinds.

In other tax fields:

Cooperatives: The committee approved tentative language to tax cooperatives' patronage refunds, either as individual income or as corporate income.

Mutual insurance companies: The committee approved tentative language increasing taxes on mutual insurance companies.

Business expense accounts: The committee has approved language tightening up regulations on deductions for business expenses. Some effort is needed in this field but care must be exerted not to cause undue or unfair hardship.

Dividend taxation: The administration proposal for a dividend tax withheld at the source is most unsound and is completely without logic. Such a tax on dividends and interest would work undue hardship on small investors and small savers and would work a hardship on small companies and firms which make the payments.

Savings and loan taxation: The committee spent many days investigating this proposal but arrived at no firm decision. Prospects at this point are that no decision will be reached very early in the next session.

Mr. Speaker, it is my hope that the committee will take time next year to inquire into and examine the whole tax code, to overhaul it, to take out of it some unfair provisions on so-called luxury items and to modernize and streamline our tax system.

Construction Set-Asides Still Costing Money

EXTENSION OF REMARKS
OF
HON. PHIL WEAVER
OF NEBRASKA
IN THE HOUSE OF REPRESENTATIVES
Wednesday, September 27, 1961

Mr. WEAVER. Mr. Speaker, on several occasions during the past session of the Congress I have called the attention of the House to certain problems created by an arbitrary and foolish decision of the Small Business Administration to set aside construction projects for exclusive bidding by small business firms. In the field of construction, those firms are described as ones doing an average of less than $5 million worth of work annually, those not dominant in their field, and independently owned and operated.

I have mentioned general problems which have developed in this field. I have cited specific losses to the Government created by this program, and I have cited unfair and unreasonable competitive factors which have developed during the past year of set-asides.

No individual, either in the Department of Defense or in the Small Business Administration has successfully been able to challenge my contention that this program is costing the Government money. Those who deal daily with construction problems agree that it will cost between 5 and 10 percent extra to carry out our military and civilian construction programs under the set-aside agreements which are not really agreements at all but an arbitrary decision by SBA.

Using the Small Business Act of 1958 as a lever, the SBA has pried out of the Defense Department a reassurance that all contracts ranging in cost from $2,500 to $500,000 will automatically be set aside for the exclusive bidding of small contractors. I still have found no evidence

that any large segment of the construction industry asked for this privilege and subsidy. I have found no evidence that anybody in the Defense Department's construction agencies wanted such a program. The only conclusion that can be reached is that an empire builder in the SBA itself inaugurated the program and has forced it on the Government.

Twice during this session of Congress the House Committee on Appropriations has taken note of this problem. In the report accompanying the general Government matters, Department of Commerce and related agencies appropriations bill for 1962, the committee recommended that SBA, the construction agencies and industry representatives sit down to clarify the situation and resolve it. In the report accompanying the public works appropriations bill the committee asked the agencies involved to run a check on the cost factors involved.

Late in August the Small Business Administration did call a meeting, as suggested by the terms of the committee report. Instead of following the spirit of that report, however, the agency followed it to the letter. No representatives of construction agencies, as such, were present at the meeting to express their views. Instead, the Department of Defense sent over a special assistant to the Assistant Secretary for Logistics—a man whose prime duty it has been to foster the philosophy of the SBA in the Defense Department. GSA, too, had representatives who apparently go along with the philosophy of SBA, rather than speak out directly and openly for the people who handle construction problems as part of their daily work. I am told, in fact, that one man who is vitally concerned with this problem in the Defense Department actually requested permission from his superiors to attend the meeting. He was denied this permission and told, in effect, to tend to his own knitting and leave this for the policy people.

The result was a stacked meeting at which the representatives of the construction industry were given an opportunity to speak out, were listened to politely, and then were told that nothing much will be done.

SBA did agree to hold new hearings sometime in the future concerning size definitions. They also set up a committee which will consider the overall problem of set-asides but which has no real authority to recommend changes. Again, this committee will be stacked against the industry and against the construction agencies, and will be completely dominated by the SBA.

On September 12, the Small Business Administration did open the door slightly by calling a hearing on the size definition for dredgers. This is a highly specialized field of endeavor and requires extremely expensive equipment. I have made reference elsewhere in the RECORD to this meeting and to the extremely fine statement made by Senator RUSSELL LONG of Louisiana at that hearing.

I would, at this point, like to mention another development at that hearing. SBA has constantly maintained that no additional costs will accrue to the Government due to the set-aside program. They defy anyone to point out such additional costs. Well, at that hearing one dredging firm did point out such an added cost factor, still apparently with little result.

The job involved 2 million cubic yards of maintenance dredging at the Sunny Point, N.C., Army Terminal. Corps estimates of costs were $373,900. Four bids were received, one by the Arundel Corp., for $341,500. This was the only bid which was under the corps estimate. The other bids were as follows:

Atkinson Dredging Co	$458,000
Norfolk Dredging Co	462,500
Merritt Dredging Co	515,000

Bids were opened on August 29, 1961. On August 30, 1961, the Arundel Corp. received the following letter from the district engineer's office, Wilmington, N.C.:

> Your bid under Invitation No. CIVENG–31–075–62–2 for maintenance dredging at the Sunny Point Army Terminal, NC., is being returned as being nonresponsive since this invitation is a set-aside for small business as noted in paragraph 7 in the Advance Notice.
>
> The low bidder was Atkinson Dredging Co., Norfolk, Va., in the amount of $458,000.
>
> Your interest in the work of the district is appreciated.

Now, Mr. Speaker, this represents an added cost to the Government of $116,500, or an increase of 31 percent in the cost of one job alone. This is fantastic waste.

I would like to make note of another factor involved in this particular bid opening. You will note that two of the bids, those by Atkinson and Norfolk, are fairly close together, and that the fourth bid, that by Merritt Dredging, is a whopping $53,000 higher. I am no expert in the field of bidding on such jobs, but I have discussed this with men who are expert, and it is their opinion that this was more than mere coincidence. One bid seems to have been dropped in just to make two other bids look good.

I have other examples of added cost to the Government from bidding which is foreclosed to construction firms with the know-how and ability to do the job just because those firms are competent and have grown.

A bid was invited on some telephone cable work at the Eglin Air Force Base, Fla. Total cost of the project was set at $1,200,000 by the contracting officer. Someone wanted it set aside for small firms only, and so, to please this individual, the contract was broken into two coequal parts, at $600,000 apiece. Invitations went out with the notation that the bid was set aside.

The lowest bid received from a small contractor was $648,761, on one job, $656,889 on the other. This bidding came at a time when the normal run of bidding across the country was far below the Corps of Engineers' estimates. Combined, these added costs total $106,650, or an increased cost to the Government of 8 percent.

Another example of waste was brought to my attention by the Charles Simkin & Sons, Inc., construction firm of Perth Amboy, N.J. Simkins is not a very big construction firm. In fact, in 1960, its total gross receipts were $4,242,605, well below the $5 million mark. However, Simkins happened to have a very successful year back in 1958, when it did $7 million worth of work, and so its 3-year average came to a little over the $5 million limits.

By any standards in the construction industry, Simkins is not big business, and it is not a subsidiary of any larger firm, being wholly independent both in ownership and operation.

Last year, under Invitation No. ENG–30–075–61–66, the corps invited bids on dismantling a heating plant at Richard I. Bong Air Force Base, Wis., and construction of an addition to the heating plant at McGuire Air Force Base, N.J. Simkins bid on the work but was rejected as unresponsive because of size.

On January 10 of this year, Simkins wrote a letter to the Administrator, SBA, which says, in part:

> The effect of limiting projects under $500,000 to small business as you define it is reflected in a bid submitted by us to the Corps of Engineers invitation No. ENG–30–075–61–66, dismantling existing heating plant, Richard I. Bong Air Force Base, Kansasville, Wis., and construction of high temperature water central heating plant addition at McGuire Air Force Base, Wrightstown, N.J. Our bid was in the sum of $561,943; the next bid, which is a firm larger than ours, was $659,464. The third bid was $663,369.
>
> The Government would save $97,521, or 15 percent, on the base bid if this contract were awarded to us and $129,664 if the additive bid items were included. It is not in the interest of the Government to award this contract on the basis of small business as defined in the bid documents.

Indeed, it is not in the interest of the Government, nor the taxpayer whose interests the Government is supposed to watch over, to include such definitions and to increase costs by 15 percent. However, it was done despite all efforts to the contrary.

Now, Mr. Speaker, I want to turn to another phase of this costly, unfair and unsound situation, the awarding of certificates of competency to small business firms by the SBA despite the best judgments of experts in the field.

And once again we turn to the C. G. Kershaw Constructing Co., Birmingham, Ala.

You will recall that in June, I mentioned this firm in connection with a report by the General Accounting Office dealing with the operation of the Government-owned concrete matting plant at Greenville, Miss. In the Greenville case, Kershaw's operations cost the Government an estimated $35,000 or 6 percent extra because the firm just was not competent to handle the job.

Well, having been stung once, the Corps of Engineers was even more wary of the Kershaw concern. On July 18, 1961, bids were opened at Memphis for pile dike construction on the Mississippi River in Tennessee. Four of the firms submitting bids qualified as small business concerns. Kershaw was low bidder at $399,350. However, one of the other bidders protested on the basis that Kershaw was not qualified to do the work.

The Corps of Engineers investigated and determined that the Birmingham firm was not qualified, both on the basis of past performance and on the basis of its manpower, equipment and skills for this particular type of work.

I am told by experts in the field that it takes very highly trained personnel to do this kind of work and that the only people who do perform well are those who have been in the field since early manhood and have grown up in this kind of construction.

Kershaw neither had the right type of manpower nor the right kind of equipment for the job so the Corps disqualified the firm.

Again, Kershaw appealed to the SBA and was once again given a certificate of competency—this despite the sad experience the Government had already had with Kershaw, and despite the fact that Kershaw listed among its principal assets some $37,000 . worth of claims against the Government resulting from the Greenville dealings.

Kershaw got the job.

Mr. Speaker, when I was a boy there was an adage which went something like this: "Fool me once, shame on you. Fool me twice, shame on me." This is a pretty sound piece of advice; it seems to me odd that SBA and the men who run it should take this advice.

Mr. Speaker, I have mentioned before that this set-aside program in general construction is not good. In some specialized fields it is particularly onerous. I have mentioned dredging. There are other similar situations. For example, I can cite the matter of drilling and grouting companies.

This is a highly specialized field. Whenever a dam is being designed, the engineers must know exactly what kind of subsoil there is, what kind of foundation rock, and so forth. To get this information requires diamond-bit drilling by experts who withdraw a core which is in turn examined by the geologists and engineers.

In the past 15 to 20 years there have been over 1,000 companies which have attempted to do this type of work. Only about six have remained constantly in the field. The others have gone under financially.

Of the six, three could well be considered big business firms because they not only do the drilling themselves, they manufacture equipment and drills, bits, and so forth and sell them to other drilling companies. The other three are small firms which do just about $5 million worth of work annually.

Another feature of the drilling business is the speculative nature of all bidding. If we knew what was under the earth's surface at the location of a dam, we would not need drillers. So, a drilling firm may find large sandstone deposits and cut through them like butter. On the other hand, they may run into granite boulders and break bit after bit, drill rig after rig. The cost could become fantastic in this event.

Still another feature involves the mobilization costs. The jobs are widely scattered and costs shoot up rapidly if the job is more than a few miles from headquarters. As a result, the six firms which have remained competitive have headquarters locations scattered all over the country so they can be near any potential job.

Still another feature of this field of construction work is that all jobs are small. There are not any $500,000 jobs at all. The average cost is right around $14,000.

The result of the SBA set-aside program is that at least one of the six competitive, good companies in this field has been eliminated from all Government work because, during the past 3 years, the firm has averaged between $5 million and $6 million.

Thus, the firm, Boyles Bros. Drilling Co. of Salt Lake City, Utah, has been knocked out of 25 percent of its normal work. Because of the SBA program, Boyles Bros., now considered a large business, is, within the next 2 or 3 years, going to be a small business.

Mr. Speaker, this just does not make sense. We have raised an umbrella of subsidy over one segment of an industry and we are destroying the incentive of the rest of that industry to grow, to compete, and to make a reasonable profit.

The end result is added cost to the taxpayers, another step toward socialism.

Christopher Columbus

EXTENSION OF REMARKS
OF
HON. DOMINICK V. DANIELS
OF NEW JERSEY
IN THE HOUSE OF REPRESENTATIVES
Wednesday, September 27, 1961

Mr. DANIELS. Mr. Speaker, in commemoration of the great explorer Christopher Columbus, I have issued the following press release and express the hope that my colleagues will join me in supporting this legislation declaring October 12 a national holiday.

Congressman DANIELS will commemorate Columbus Day by asking the Judiciary Committee to make 1961 "the last year in which Columbus Day lacks Federal recognition."

DANIELS is one of the prime supporters of legislation to make Columbus Day a national holiday.

In his letter to the committee DANIELS said, "it seems singularly ungrateful for a nation which owes its very birth to Christopher Columbus to fail to give him the recognition his courageous exploits deserve."

DANIELS particularly stressed the importance of Columbus Day as a symbol of inter-American friendship. Noting that October 12 is a national holiday in at least 13 neighboring American republics, DANIELS said that "Columbus' discovery of the American Continent is a poignant reminder of our mutual origins and of the history we share with our neighbors to the south."

"As we endeavor to strengthen our bonds with Latin American," DANIELS continued, "we should surely not ignore this opportunity to publicize our common heritage. We can give a moral boost to our alliance for progress program if we designate October 12 as an occasion to dramatize inter-American brotherhood and solidarity."

Congressman DANIELS also sent a copy of his letter to President Kennedy, who himself has repeatedly stressed the historical bonds which unite the two Americas.

In his letter to the Judiciary Committee DANIELS urged the committee to hold hearings on the Columbus Day bill "as soon as Congress reconvenes in January."

The large number of Congressmen who have sponsored similar bills, DANIELS pointed out "is eloquent testimony to the fact that there exists in this Congress widespread sentiment in favor of giving Columbus Day national status."

If the Judiciary Committee will grant its prompt approval," he concluded, "I am most confident that the bill will have no difficulty whatsoever in passing the House."

Statement of Hon. Russell Long of Louisiana

EXTENSION OF REMARKS
OF
HON. PHIL WEAVER
OF NEBRASKA
IN THE HOUSE OF REPRESENTATIVES
Wednesday, September 27, 1961

Mr. WEAVER. Mr. Speaker, on September 12 the Small Business Administration conducted a hearing into size definition changes in regard to dredging companies here in Washington. The dredging companies had protested against the previous definition as it applied to them. They were grouped with other companies in the general category of construction and a small firm was described as one which did less than $5 million worth of work, on the average over the preceding 5 years, was not dominant in its field and was completely independent.

I personally feel that this definition is unsound as it applies to the entire construction field, but it is particularly unsound when applied to dredging companies. The equipment involved is huge and extremely expensive. Crews are skilled and labor costs are high. It costs several thousands of dollars a day to have a dredge tied up at the riverbank. So, to recoup their expenses, even small dredging concerns—by comparison—must do a tremendous volume of business at low profit. Competition is keen in this field, particularly for government contracts, since almost all the work done by dredging is for government—State, National, or local.

For these various reasons the dredging companies complained, and they got a hearing. Senator RUSSELL LONG, of Louisiana, long interested in this problem as it concerns construction and particularly as it concerns river dredging work, appeared at the hearing. He made a very fine statement and a very comprehensive one. I have asked and gotten his permission to place the statement in the RECORD, which I do at this point:

STATEMENT OF SENATOR RUSSELL B. LONG, OF LOUISIANA, BEFORE THE SMALL BUSINESS ADMINISTRATION, SEPTEMBER 12, 1961

Mr. Chairman, as a charter member of the Senate Small Business Committee, I am appearing this morning in defense of the small business set-aside program for which I voted. I fully realize that the subject of this hearing is an investigation into the definition of

small business for the hydraulic dredging industry under the Small Business Act. I also realize, Mr. Chairman, that it is impossible to talk about the definition of small business with respect to this industry without making reference to the set-aside program, and I hereby respectfully request that you broaden the scope of this meeting to permit such reference by those who will testify here today. I assure you that any reference made to the set-aside program by members of the industry from the section of the country that I represent, will be closely tied in with the subject of the hearing.

I said that I am appearing in defense of the set-aside program. I say that because I firmly believe that unless the Small Business Administration takes another careful look at the manner in which the set-aside program is being applied to the hydraulic dredging industry, it is in danger of losing the entire program.

Perhaps it would be well to go into a little history of the hydraulic dredging industry as it pertains to the Gulf area. Thirty years ago, when the U.S. Government assumed full responsibility for flood control it undertook a major dredging program entirely with Government-owned and operated plant. The key to the master plan for flood control in the Lower Mississippi Valley was a pilot channel through the Atchafalaya Basin to make it possible for that basin to convey 1½ million cubic feet of water to the Gulf of Mexico. That pilot channel was dug entirely with Government-owned and operated plant.

In the postdepression days, it soon became evident that the U.S. Government should get out of the dredging business. In response to the mandate, a number of dredging companies who are represented here today, began to build, at considerable expense, hydraulic dredges that could undertake the work of flood control and navigation for a Nation that needed a lot of work on its waterways to protect its people from floods and to provide arteries of commerce necessary to the prosperity of the surrounding country. These companies did their job well. They built the necessary equipment and, at a reasonable price, they did 90 percent of the job of floodproofing the lower valley. They also provided navigating depths on the principal waterways of the valley.

It now appears that, through our definitions of small business, we are telling these contractors that they can no longer participate in this work. Frankly, I do not believe we had such a thing in mind when we organized the Small Business Administration.

During the past weeks I have been examining figures with reference to the hydraulic dredging industry as it affects my section of the country. I have come to the conclusion that, proceeding on an arbitrary definition of small business, we are attempting to protect people that do not need protection. We are protecting a relatively few people at the expense of the people who have built the industry. Those who will testify will bring out some interesting figures that I recommend to your careful study.

An examination of the records reveals that, without the help of set-asides, the so-called small business people will hold their own against the so-called big business people. I am alarmed to note that the trend of plans for the future seems to indicate that the so-called small business people will completely stifle the so-called big business people.

Mr. Chairman, in my opinion, if we continue the way we are going, we will succeed in bringing down public opinion against the entire small business program. I would hate to see the program killed after we have made so much progress. I voted for it, but I would have to vote against it if it ceased to accomplish the purpose for which it was organized.

We seem to have adopted the principle that in every industry we have big and little business. I do not believe that is so.

There are industries or segments of industries where we have no big business, or, if you prefer, where we have no small business. I believe this is the case in the hydraulic dredging industry.

If a firm is engaged in the hydraulic dredging industry, it must expend considerable funds for highly specialized equipment. This is equipment that will be utilized possibly only 50 percent of the time. This equipment must be manned by men of skill—men that must be retained in slack periods because their substitutes cannot be recruited on the open market. Such a firm must gross a considerable amount in a year in order to break even. I do not believe that our monetary criteria is a fair criteria in arriving at a distinction between big and little business in this industry.

In my opinion we have only small businesses in the hydraulic dredging industry. Do what you will with the definition, I do not think that you can manipulate it to prove that there is any real big business here.

It has been suggested that we are using the wrong criteria in attempting to measure this industry. It has been pointed out that we should, perhaps, use the size of the equipment rather than a monetary figure. This could very well be the case and it is something you should study when you consider your set-aside criteria.

In any event, it is my feeling that, proceeding along our present lines, we are about to kill the goose that laid the golden egg. We are about to force out of business the people that made the necessary investment in order to do the work our country needs. This should not be the goal of our small business program.

Therefore, I strongly recommend that the Small Business Administration carefully review its criteria with respect to the hydraulic dredging industry. This review should determine whether or not there is actually a basis for a line to be drawn between big and little business in the industry. If such a line actually exists, and I do not believe it does, an entirely new basis should be found to determine that line.

In the meantime, I would strongly recommend that hydraulic dredging set-asides be discontinued until such time as a true definition is arrived at for the hydraulic dredging industry.

Finally, in further studies into this industry I request that the following important factors be taken into thorough consideration:

(a) The hydraulic dredging companies of this Nation are an organization in being for use during times of emergency. Their equipment is on file in every engineer district in the country and can be called upon when needed.

(b) Prices on hydraulic dredging in the recent past have been most reasonable. They reflect the advantages of competition. We should not force our taxpayers to pay more by stifling competition.

(c) Insistence upon the elimination of competition on most dredging jobs will give rise to the unsavory practice of bidding by brokers who have no equipment, but who will bid on the basis that they can shop the job after they are the successful bidder. It will give rise to deception and cheating within the rules. We certainly could not encourage that.

(d) The elimination of competition is not the American way of doing business.

Mr. Chairman, I said that I am appearing this morning in defense of the small business set-aside program. The surest way to kill that program is to attempt to apply it where it is not applicable. I feel that it is not applicable in the hydraulic dredging industry and I urge you to take another good look before you attempt to force it where there is no room for it to do a job. I urge you to study carefully what is said here today.

Set-Asides Gets Bigger

EXTENSION OF REMARKS
OF
HON. PHIL WEAVER
OF NEBRASKA
IN THE HOUSE OF REPRESENTATIVES
Wednesday, September 27, 1961

Mr. WEAVER. Mr. Speaker, under the original Small Business Administration decree on construction set-asides, the Department of Defense was forced to set aside automatically all jobs of $500,000 or less for exclusive bidding by small contractors. At the same time the SBA reserved for itself the right to examine all bigger projects and to demand set-asides on them as well.

We have had examples of projects costing up to $5.5 million set aside. In one, at Sheppard Air Force Base, Tex., this operation cost the taxpayers an additional $165,000.

We now have an example of a $6.5 million project, the construction of a spillway at Proctor Dam and Reservoir, Leon River, Tex. This project is so big that if one small concern takes on the job, it will automatically preclude itself from bidding on any other set-aside Government contract because it will have become a big business firm under SBA rules and regulations.

I have received a letter from Mr. George R. Drake, a vice president of Johnson, Drake & Piper, commenting on this situation which I think merits the attention of my colleagues. I wish to place this letter in the RECORD at this point:

JOHNSON, DRAKE & PIPER, INC.,
Minneapolis, Minn.

Hon. PHILIP WEAVER,
House of Representatives,
Congress of the United States,
Washington, D.C.

Subject: Small business set-aside for Proctor Dam and Reservoir.

MY DEAR CONGRESSMAN WEAVER: We have just received a copy of the plans and specifications for the completion of embankment and construction of spillway at Proctor Dam and Reservoir, Leon River, Tex., invitation No. CIVENG–41–443–62–8, dated September 21, 1961, Corps of Engineers, U.S. Army, office of the district engineer, Fort Worth District, 100 West Vickery, Fort Worth, Tex., bid opening at 2 p.m., c.s.t., October 31, 1961.

This job has on the cover sheet, in large block printing, the following notation: "Bids solicited from small business concerns only" (see par. 11 of the invitation). Also paragraph 13 of addendum No. 1, dated September 27, 1961, reiterates the small business set-aside and defines a "small business concern," a "labor surplus area," and a "labor surplus area concern." It would appear from this definition that if an area is declared a labor surplus area by the Department of Labor, or if a concern in this area does less than $6,250,000 gross business per year, they would qualify to bid this job under the small business set-aside.

Our concern about this particular job is that our engineers have estimated the cost of this job could run in a range of $5½ to $6½ million, and that it is entirely possible by double shifting and/or overtime work to complete this job in 1 year. It would appear, even at the $6,250,000 qualification for a small business concern, that this bid is illegally constituted under the very definition of a small business concern in that the small business concern could be completing $6½ million worth of work during the course of 1 year's operations.

At this time it is impossible to state that the cost will definitely be over $6,250,000, or that the work could be done in 1 year or less. However, the strong possibility that both of these circumstances could take place would seem to merit a possible review of this particular job, and could possibly result in taking it off the market until SBA has satisfactorily proved that the two possibilities mentioned above are not possible.

Yours very truly,

GEORGE R. DRAKE,
Vice President.

Capt. William B. Clark Dies—Norwalk Hour Advertising Manager

EXTENSION OF REMARKS
OF
HON. ABNER W. SIBAL
OF CONNECTICUT
IN THE HOUSE OF REPRESENTATIVES
Wednesday, September 27, 1961

Mr. SIBAL. Mr. Speaker, Capt. William B. Clark, a close friend and highly valued citizen of Norwalk, Conn., recently died after a long illness. His loss is deeply felt not only by his family and large circle of friends, but also by his community. In tribute to him and in sympathy to his family, I respectfully submit the following editorial from the Norwalk Hour, which succinctly records Captain Clark's praiseworthy accomplishments and the esteem in which he was held:

CAPT. WILLIAM B. CLARK DIES—NORWALK HOUR ADVERTISING MANAGER—PIONEER ADVOCATE OF IMPROVEMENT OF LOCAL HARBOR FACILITIES; SERVICES MONDAY AT 1:30 P.M., FIRST CONGREGATIONAL CHURCH ON GREEN

William Buchanan Clark, Sr., 61, advertising manager of the Norwalk Hour for 20 years, died at his home, 10 Newtown Terrace, Friday afternoon, after a long illness.

He was first stricken seriously ill in December 1958, and was in and out of the Norwalk Hospital seven times, but he remained cheerful almost to the end and fought a courageous fight against his illness.

He was born in Chicago, Ill., on May 6, 1900, but lived in Norwalk for most of his lifetime. He became associated with the advertising department of the Norwalk Hour 25 years ago and was named manager of the department 5 years later.

Surviving are his wife, the former Anne Moore Stewart; two children by marriage, Durland Stewart, Jr., of Norwalk, and Mrs. Marjorie Stewart Ball, of Westport; and two children by a former marriage, William B. Clark, Jr., of Florida, and Miss Laurel Clark, of New Jersey.

Funeral services will be conducted at the First Congregational Church on the Green Monday at 1:30 p.m. with Rev. Dr. Harold Edgar Martin, pastor, officiating. Interment will be private. There will be no calling hours at the Raymond Funeral Home.

He was a member of many fishing and hunting organizations, and was a member of the Board of Governors of the South Norwalk Boat Club, where he was known to all as Capt. Bill Clark.

AVID ANGLER

Mr. Clark was an avid boatman and fisherman and dedicated a major portion of his spare time to campaigning for improved harbor facilities, safety on the water, elimination of pollution—always working in the best interests of the thousands of area families who enjoy recreational boating.

He was chairman of the first Norwalk Harbor Committee and it was largely through his efforts that the East Norwalk Boat Basin was created several years ago. With his committee, he convinced the city council of the need for public mooring facilities and floats were installed at the basin, adjacent to Seaview Avenue Park. Today more than 200 boatowners enjoy these facilities.

As interest in boating here mushroomed, accompanied by the dangers of heavy traffic in the harbor, he campaigned for a police patrol and in 1957 the first police boat went on duty in local waters. It was loaned to the city by Mr. Clark's close friend, Louis J. Gardella, owner of the Rex Marine Center, and operated by a member of the Coast Guard Auxiliary with a uniformed policeman on board. In 1958, the Norwalk Boat Works loaned a boat to the city.

But Mr. Clark was not satisfied with the temporary loaning arrangement and had kept up his insistence on city-ownership of a police boat. His insistence on city-ownership of its own patrol boat has led to the formation of a marine division within the police department starting with one speedy boat.

SPRITE ISLE COMMODORE

He was one of the organizers of the Sprite Island Yacht Club and became its commodore during the trying times when it moved into its new home on Sprite Island. He served for nearly 3 years, guiding the club to great successes and when he resigned in July 1953, because of business pressures. he was given a surprise testimonial dinner and presented with a plaque attesting to his achievements for the club and expressing appreciation to him for his leadership.

CIVIL DEFENSE AID

He always found time despite a busy schedule to be active in worthwhile civic affairs. When Col. Seth Wiard, U.S. Army retired, was named director of Norwalk Civil Defense, Colonel Wiard called on Mr. Clark to form a marine arm for the CD organization. Mr. Clark went to the boat clubs, convinced members of the need for a marine emergency unit, and signed up more than 200 boatowners who could be called within minutes to respond to any emergency.

It was his interest in boating that led him to write a boating and fishing column for the Norwalk Hour. Marinas and stores selling fishing and boating equipment quickly became aware of the big reading public attracted to the column and asked for advertising on the same page as the column.

AWARD WINNER

In 1956, the Hour carried 33,600 lines of boating advertising. Under Mr. Clark's promotion, this figure leaped to 135,442 lines in 1957, not including the many columns of news, and photographs accompanying the boating advertising. Because of the promotion of recreational boating, under Mr. Clark's direction, the Norwalk Hour in 1958 was awarded Boating's Golden Award, highest honor a newspaper can receive from the National Association of Engine and Boat Manufacturers.

Clark redoubled his efforts in the promotion of boating the following year and as a result the Norwalk Hour won Boating's Golden Award for the second straight year. It ranked sixth in the United States, among all newspapers of all sizes, in boating linage. The golden ship's wheel came to the Hour again last year.

PUBLIC SERVICE

One of his ideas which caught the fancy of the judges in the Golden Award contest was the distribution of plastic bags to boat owners to precent the discard of refuse in harbors. Mr. Clark distributed thousands of these bags purchased by the Norwalk Hour, to marinas, boat clubs, and fishing equipment merchants.

He owned boats for many years, his latest being a 25-foot sea skiff named *Bill's Alibi IV*. With its radio antenna, long fishing pulpit extending over the bow and outriggers reaching toward the sky, his boat is one of the best known in the harbor.

He promoted many fishing contests between boats and stimulated greater general interest in local waters. For the past 2 years the Hour has sponsored an areawide flounder fishing tournament, under Mr. Clark's direction.

His fishing interests were not exclusively in salt water. He liked to fish area streams and ponds also and each year at the start of the trout season, he always could be found at dawn trudging his way to a favorite spot. And he usually came back with his limit long before noon.

Mr. Clark was a man who enjoyed life. In addition to his intense interest in boating, he enjoyed playing cards, particularly cribbage. He relished the rivalry of a good game of darts or shuffleboard. He was known as a tough competitor, a man who liked to win, but was respected as a good loser. He was a great "ribber" and his penetrating barbs were the talk of the boat clubs, but he proved time and time again that he could "take it" when the tables were reversed.

POPULAR FIGURE

He was one of the best known and best liked boatmen in Norwalk, and he will be missed. When the seriousness of his illness became known in the South Norwalk Boat Club, where he was an active member, the Monday night meetings were less jovial than before. There was a major concern among members, who asked at each meeting, "How's Bill Clark?"

His accomplishments in the field of boating will live long after him. He will be remembered as a good family man, a good sportsman, a good citizen, a gentleman.

Welcome

EXTENSION OF REMARKS
OF
HON. CLEVELAND M. BAILEY
OF WEST VIRGINIA
IN THE HOUSE OF REPRESENTATIVES
Wednesday, September 27, 1961

Mr. BAILEY. Mr. Speaker, the Legislature of West Virginia, in redistricting the State's congressional representation has created a new First Congressional District. In doing so the legislature added seven new counties to those I presently represent, and have assigned to four of my colleagues a total of six counties which have heretofore been my primary responsibility.

To the citizens of the seven new counties—Brooke, Hancock, Marion, Marshall, Ohio, Taylor, and Wetzel—I extend my greetings. I pledge to them that I shall serve their interests in the

same manner I have been serving the interests of the citizens of the old Third District.

To those citizens of the six "old" counties—Braxton, Calhoun, Doddridge, Gilmer, Harrison, and Lewis—this is to express my pleasure that our ties are not broken.

In order to more efficiently serve the newly constituted district, I intend to establish an office in the McLure Hotel, Wheeling, primarily for the convenience of those folk living in the upper Ohio Valley area. My established field office in the Clarksburg post office will serve the residents of the interior areas.

Peterson Evaluates 1st Session of the 87th Congress

EXTENSION OF REMARKS
OF
HON. M. BLAINE PETERSON
OF UTAH
IN THE HOUSE OF REPRESENTATIVES
Wednesday, September 27, 1961

Mr. PETERSON. Mr. Speaker, now that the 1st session of the 87th Congress has adjourned, I would like to express my deep appreciation to both the leadership and to my colleagues, Democrats and Republicans, for the help and assistance given to me in this, my first year of representing the First Congressional District of Utah.

I have examined the record of this session and in my opinion it will be long remembered for its antirecession legislation and for its bipartisan support of the largest peacetime military budget in history.

Over $47 billion, more than half of the money appropriated this year, is for national security. We have demanded a speedup in our space program, acceleration of the Minuteman and Polaris submarine program and a buildup of our ground and sea forces. All this is incident to an adequate defense of our country which, I believe you will agree, is proper spending to meet the Communist menace throughout the world.

ANTIRECESSION LEGISLATION

This Congress opened during a business recession. The President was forced to ask Congress to strengthen our domestic economy with an increased flow of money for such programs as aid to chronically depressed areas; emergency feed grain program; expansion of social security benefits; saline water conversion; water pollution control; easing mortgage credit; and a comprehensive housing program.

The stimulation of these programs has already paid national dividends. The September issue of Business Week states "Business Heads for Record High."

There are still sections of my congressional district which are economically depressed, counties like Carbon and Emery which are suffering an economic setback because of the depressed coal industry. In cooperation with the Carbon County Democratic Committee, the Price Chamber of Commerce, and civic organizations, I am sponsoring an economic conference for southeastern Utah with officials of the Area Redevelopment Administration to be held in Price, Utah, the middle of October. I am hopeful that roundtable discussions with Government representatives and civic leaders will result in a better understanding of the problems of the area and ultimately lead to a plan of renewed economic stability.

FEDERAL AID TO AIRPORTS IN UTAH

Another expanded program of this Congress which will have a definite impact upon the economy of Utah is the 3-year extension of the Federal aid to airport program. The FAA Administrator estimates that $697,789 will be spent in Utah during the next year and contract agreements may be made for an additional expenditure of $496,211 in the following 2 years. Airports within the First Congressional District of Utah included in the FAA Administrator's survey as eligible for Federal assistance upon proper application are:

Brigham City	$71,000
Cedar City	171,000
Escalante	170,000
Green River	143,000
Loa	5,000
Manti	32,000
Tremonton	51,000
Monticello	35,000
Nephi	207,000
Ogden	86,000
Richfield	144,000
St. George	69,000
Vernal	60,000

This Congress has been of a conservative nature. It refused to finance the foreign aid program with so-called backdoor spending on a 5-year advance basis; and refused to approve the construction of a Government-operated powerplant at the atomic plant in Hanford, Wash. It is significant that all tax reform proposals and the medical care/social security program were held over until the second session in January. Also held up were the Youth Conservation Corps bill, a proposal to set up a new Department of Urban Affairs, and an overhaul of unemployment insurance, just to mention a few. The Federal aid to education bill was turned down.

TAX DOLLAR BROKEN DOWN

The people of Utah by heritage and background are conservative. They are frugal and self-sufficient. They know the value of money and watch the tax dollar. Knowing this, I asked the Budget Bureau to give me the figures on where our tax dollar comes from and a breakdown on where it is spent. I received the following:

Where it comes from: 55 cents, individual income taxes; 25 cents, corporation income taxes; 12 cents, excise taxes; and 8 cents, all other receipts.

Where it is being spent: 58 cents, major national security; 10 cents, interest; 6 cents, veterans; 6 cents, agriculture; 20 cents, other.

Interesting to note is that over half of each tax dollar—58 cents—is spent on national security and space programs. Only 20 cents of each tax dollar represents the largest single nondefense expenditure. This expenditure covers the cost of all major nondefense programs and includes such items as natural resources, educational assistance—particularly to federally impacted areas in lieu of taxes—highway construction and public housing. Also included in the 20 cents of each tax dollar in this class are those programs such as small business loans, REA loans, area redevelopment loans, college housing and community facility loans, and so forth, which have repayment provisions and hence are not operating expenditures as such. As nearly as I can determine, from one-third to one-half of this type expenditure will be repaid to the Government.

UTAH'S WATER DEVELOPMENT

In Utah the most vital expenditure under this 20-cent category is water development—reclamation, irrigation, soil conservation, and so forth. This Congress, I am proud to say, has done much to promote and further the great reclamation projects and the best utilization of Utah's water facilities.

The Colorado River storage project is one of the greatest projects in the State of Utah. However, there are many other projects now under investigation or nearing completion.

A breakdown of the funds appropriated this year for Utah's water projects is as follows:

Weber Basin project	$8,404,000
Central Utah project: Vernal unit	1,248,000
Advance planning Central Utah project	1,095,000
Advance planning Emery County project	22,820
Emery County Project fiscal 1962	500,000
Army Engineers:	
Weber River	50,000
Price River (Willow Creek)	20,000
Project investigations:	
Bear River project	128,200
Lower Colorado Basin	42,000
Dixie project	10,496
Gray Canyon project	40,000
Bonneville Basin	1,000

GOVERNMENT AGENCIES DUE APPRECIATION

Mr. Speaker, a report of this year's activities would be incomplete without a word of heartfelt thanks to all the officials of the Government agencies with whom we work. Sometimes our problems defy solution, but wherever assistance can be rendered I have found these dedicated workers, both in Utah and in Washington, to be agreeably responsive. It is through such cooperation that many improvements were made this year in Utah, a few of which I should mention.

Resurfacing of 6.5 miles of rim road at Cedar Breaks National Monument.

Federal Communications Commission approval of permission to operate radio station KUTA at Blanding.

Labor Department designation of Carbon and Emery Counties as areas eligible for technical and financial assistance under area redevelopment program.

Inclusion of Federal court space in new Federal building at Ogden.

Approval by Agriculture Department and Budget Bureau of $811,000 loan for Weber-Box Elder Conservation District application for assistance in constructing an $877,000 water storage and distribution system.

Interior Department approval of the withdrawal of nearly 5,000 acres of high-

grade potash deposits, located in the Seven Mile area of Grand County, from oil and gas leasing, thereby making it possible for the Texas Gulf-Sulphur Co. to jointly develop the area with the Cane Creek deposit and justifying the erection of a $30 million mill.

Federal Communications Commission approval of TV translator stations to serve Carbon and Duchesne Counties, as well as other areas.

Agriculture Department designation of all Utah counties as emergency areas eligible to receive assistance under livestock feed program.

Agriculture Department and congressional approval of Blue Creek-Howell watershed project in Box Elder County.

Post Office approval of a contract station in North Ogden-Pleasant View area to provide facilities for purchase of stamps, money orders, parcel post mailing, and other receiving services.

Post Office Department extension of star route service from Collinston to Wheelon in Box Elder County from three to six times a week.

In submitting this accounting of my stewardship to the people of the First Congressional District of Utah, permit me to enumerate the legislative proposals that I introduced or jointly sponsored that have been enacted into public law. None of these would have been possible without the personal guidance of our very able leadership plus the neighborly and friendly advice of my colleagues.

Public Law 87–170: To permit waters users associations, irrigation and reservoir companies to sponsor projects under Federal Watershed Protection and Flood Prevention Act, thus remedying the following seven pending applications which could not qualify prior to enactment of this bill:

Blanding Irrigation Co. in San Juan County, Dry Fork Sinks project in Uintah County, Antelope Irrigation Co. project in Duchesne County, High Creek project in Cache County, Levan Irrigation Co. in Juab County, Upper Kanab project in Kane County, and Minersville project in Beaver County.

Public Law 87–192: A private bill for the relief of J. A. Workman of Roosevelt, permitting him to resume gilsonite mining development work which he had started at considerable expense under lease executed with the Ute Indian Tribe and which had subsequently been invalidated for technical reasons through no fault of his own.

Public Law 87–81: A bill to change the boundary of Cedar Breaks National Monument by adding 111 acres to the southwest section and excluding 129 acres from the northwest section to conform more closely to the natural rim of the canyon.

Public Law 87–106: This legislation amended the act of April 6, 1949 so as to authorize the Secretary of Agriculture to make emergency livestock loans under such act until December 31, 1961. This authorization would have expired June 30, 1961.

Public Law 87–137: Provided for one additional Assistant Secretary of Labor. Mrs. Esther Peterson of Provo was appointed to fill this position and was confirmed by the Senate.

Public Law 87–300: A bill to authorize the Secretary of the Interior to conduct a study covering the causes and prevention of injuries, health hazards, and other health and safety conditions in metal and nonmetallic mines, excluding coal and lignite mines. This is a modified version of the original bill introduced by me.

Public Law 87–347: A bill to authorize limited subsidy payments to stabilize small domestic miners of lead and zinc. This provides temporary relief to the basic problems of lead and zinc mines and mills in Juab County which have been forced to shut down or curtail operations due to instability of prices and supply through excessive foreign imports.

BOMARC-MINUTEMAN-SERGEANT PROGRAMS—VITAL

In conclusion I wish to reaffirm my interest in our defense program as it relates to the State of Utah. I have made a strong appeal for the continuation of the Bomarc program. I pledge my best efforts toward an expended program for the production of the Minuteman and the Sergeant missiles.

Voting Record of Hon. Steven B. Derounian

EXTENSION OF REMARKS
OF
HON. STEVEN B. DEROUNIAN
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Wednesday, September 27, 1961

Mr. DEROUNIAN. Mr. Speaker, the 1st session of the 87th Congress finally came to an end the morning of September 27—a session of greater than average length, but less than average accomplishment, despite the fact that the President's political party controls the Senate by a 2-to-1 margin and the House by a 3-to-2 majority.

At this time I wish to report to the people of my district on my votes and actions as their Representative during this 1st session of the 87th Congress. I had an attendance record of 97 percent on quorum calls and record votes.

The descriptions of the measures on which I have voted are brief and for the purpose of identification only. It would be impossible in limited space to discuss each issue thoroughly. Upon request, however, I will be pleased to furnish more complete information on any particular bill. Some measures I have supported, some I have voted against. In many instances, I had hoped for something better than was presented. I should like here to comment on a few of these bills.

Although business has recovered from a temporary slump, as was expected, unemployment remains at a high level. The latest report in September indicates that 4,085,000 persons remain unemployed. Neither the leadership in Congress nor the administration has demonstrated any ability to decrease this number sufficiently.

Unemployment compensation was once again extended, and I voted for this legislation. The people should know, however, that when aid to dependent children was discussed the administration objected to an amendment which would have permitted an unemployed parent to qualify for Federal aid while performing services for a public agency, as recommended by the Republican members of the Committee on Ways and Means, of which I am a member. This refusal of the administration became the basis of the problem faced by the city of Newburgh, N.Y.

Social security benefits were broadened further, and this legislation I supported, also. Again, however, during Ways and Means Committee deliberations, the administration refused to accept the proposal of the committee's Republican members to liberalize the present retirement test so that an individual could earn up to $2,400 a year without full deduction of benefit entitlement.

A "depressed areas" bill, enacted into law, contains language that can open doors to influence and favoritism in connection with public loans and grants and is without any protection against the pirating of industry from one State to another. I objected to this politically fraught legislation.

Although I had hoped to support a minimum wage bill, raising the hourly rate to $1.25, as Campaigner Kennedy promised the people, the administration requested the Congress to limit this increase to $1.15 for the next 2 years.

I was glad to have the opportunity to vote for the measure creating additional and sorely needed Federal judgeships, originally asked for by President Eisenhower in 1957 and in the succeeding years of his administration; however, the Democratic Congress refused to take action on his request.

The National Defense Education Act and Federal aid to impacted school areas extensions were brought to the House floor under suspension of rules. This, along with the Calendar Wednesday procedure, attempted in the case of Federal aid to education legislation, demonstrated conclusively that the Rules Committee cannot "bottle up" legislation on which the leadership sincerely desires action, as had been claimed earlier in the year when the Rules Committee was personally "packed" by the President.

Before leaving office, President Eisenhower had recommended a budget for fiscal year 1962 in the sum of $80.9 billion. The Kennedy administration increased this request and was successful in obtaining from the Congress authorization of $20 billion in back-door spending—without congressional supervision—and this sum added to the $93 billion appropriated through regular channels now brings the total estimated spending for fiscal year 1962 to $113 billion, a record high in spending.

To cover his increased deficit spending, the President requested and obtained from Congress an increase in the national debt ceiling to $13 billion, bringing it now to a total of $298 billion. I voted against this unprecedented

increase which came after only 6 months under the new administration.

The act establishing a Peace Corps was passed after striking out the following provision:

The Peace Corps shall not perform service in any foreign country in which, by reason of law or official policy, any member of the Peace Corps will be discriminated against because of his race, creed, or color.

I did not support this action.

Tax reforms sorely needed were not enacted. Although my Committee on Ways and Means held 32 days of hearings on the subject, the chairman of the committee had to announce that a bill embodying President Kennedy's tax recommendations would not be reported to the Congress this year. As a matter of fact, the inability of the Secretary of the Treasury to offer tax recommendations which could stand up under analysis and study by the committee has made impossible any final decision within this session of the Congress on the President's recommendations. The responsibility for this stalemate must rest with the administration, and particularly with the Treasury Department.

Here is my record:

Roll-call No.	Date	Measure, question, and result	Vote
1	Jan. 3	Quorum call	Present.
2	Jan. 3	Election of Speaker. (Rayburn 258, Halleck 170.)	Halleck.
		H. Res. 1, barring George O. Chambers from taking oath as Representative pending investigation by House Administration Committee of congressional election in Indiana's 5th District.	
3	Jan. 3	On motion to order previous question (to prevent debate). (Adopted 252 to 166.)	Nay.
4	Jan. 31	Quorum call	Present.
		H. Res. 127, enlarging the Rules Committee from 12 to 15 members:	
5	Jan. 31	On agreeing to resolution. (Adopted 217 to 212.)	Nay.
6	Mar. 1	Quorum call	Present.
		H.R. 4806, authorizing Federal grants to States for temporary extension of unemployment benefits to workers who had exhausted their benefits and providing for temporary unemployment tax increase to take care of cost:	
7	Mar. 1	On passage. (Passed 392 to 30.)	Yea.
		H. Res. 167, authorizing funds of the Committee on Un-American Activities for 1961:	
8	Mar. 1	On adoption of resolution. (Adopted 412 to 6.)	Yea.
		H.R. 5188, making supplemental appropriations for fiscal 1961:	
9	Mar. 7	On amendment providing an additional $29,990,000 for aid to schools in impacted areas. (Adopted 339 to 62.)	Yea.
10	Mar. 8	Quorum call	Present.
11	Mar. 8	Quorum call	Present.
12	Mar. 9	Quorum call	Present.
		H.R. 4510, providing for a special program for feed grains for 1961:	
13	Mar. 9	On motion to recommit with instructions to delete section permitting Secretary of Agriculture to drive down market price by selling Government-owned corn and grain sorghums at 17 percent below price-support price. (Rejected 196 to 214.)	Yea.
14	Mar. 9	On passage. (Passed 209 to 202.)	Nay.
15	Mar. 10	Quorum call	Present.
16	Mar. 15	Quorum call	Present.
		H.R. 4510, providing for a special program for feed grains for 1961:	
17	Mar. 21	On adoption of conference report. (Adopted 231 to 185.)	Nay.
18	Mar. 21	Quorum call	Present.
		H.R. 5463, amending and extending the Sugar Act to Dec. 31, 1962:	
19	Mar. 21	On motion to suspend rules and pass bill. (Passed 284 to 129.)	Nay.
		H.R. 4806, authorizing Federal grants to States for temporary extension of unemployment benefits to workers who had exhausted their benefits and providing for temporary unemployment tax increase to take care of cost:	
20	Mar. 22	On adoption of conference report. (Adopted 363 to 31.)	Yea.
21	Mar. 23	Quorum call	Present.
		H.R. 5000, authorizing certain construction at military installations:	
22	Mar. 23	On amendment requiring feasibility study before authorizing $3,812,000 for transferring Food and Container Institute from Chicago, Ill., to Natick, Mass. (Adopted 269 to 145.)	Nay.
23	Mar. 23	On passage. (Passed 412 to 0.)	Yea.
24	Mar. 23	Quorum call	Present.
25	Mar. 23	Quorum call	Present.
26	Mar. 24	Quorum call	Present.
		H.R. 3935, increasing Federal minimum wage and extending coverage to additional workers on basis of dollar volume of sales of employer:	
27	Mar. 24	On amendment substituting language increasing minimum wage to $1.15 an hour and extending coverage to additional workers on basis of interstate operations test. (Adopted 216 to 203.)	Yea.
28	Mar. 24	On motion to recommit. (Rejected 196 to 224.)	Nay.
29	Mar. 24	On passage. (Passed 341 to 78.)	Yea.
30	Mar. 28	Quorum call	Present.
31	Mar. 29	Quorum call	Present.
		S. 1, authorizing $394,000,000 in Federal loans and grants for redevelopment of economically depressed areas:	
32	Mar. 29	On motion to recommit with instructions to substitute bill, H.R. 5943. (Rejected 126 to 291.)	Yea.
33	Mar. 29	On passage. (Passed 251 to 167.)	Nay.
34	Apr. 11	Quorum call	Present.
35	Apr. 13	Quorum call	Present.
36	Apr. 18	Quorum call	Present.
37	Apr. 19	Quorum call	Present.
		S. 912, providing 70 additional circuit and district judgeships:	
38	Apr. 19	On passage. (Passed 336 to 76.)	Yea.
39	Apr. 20	Quorum call	Present.
		H.R. 6027, liberalizing certain social security benefits and increasing social security tax:	
40	Apr. 20	On passage. (Passed 400 to 14.)	Yea.
41	Apr. 25	Quorum call	Present.
		H.R. 6518, making appropriations for inter-American social and economic program and the Chilean reconstruction program:	
42	Apr. 25	On passage. (Passed 330 to 82.)	Yea.
43	Apr. 26	Quorum call	Present.
		S. 1, authorizing $394,000,000 in Federal loans and grants for redevelopment of economically depressed areas:	
44	Apr. 26	On adoption of conference report. (Adopted 223 to 193.)	Nay.
45	May 3	Quorum call	Present.
		H.R. 3935, increasing Federal minimum wage and extending coverage on dollar-volume test:	
46	May 3	On adoption of conference report. (Adopted 230 to 196.)	Nay.
		H.R. 6441, increasing annual Federal grants for sewage treatment works from $50,000,000 to $100,000,000 and the overall limit from $500,000,000 to $1,000,000,000:	
47	May 3	On motion to recommit with instructions to reduce annual funds to $75,000,000 and overall limit to $750,000,000 and to require States after June 1964 to match all funds in excess of $50,000,000 annually. (Rejected 165 to 256.)	Yea.
48	May 3	On passage. (Passed 368 to 110.)	Nay.
49	May 4	Quorum call	Present.
50	May 9	Quorum call	Present.
51	May 10	Quorum call	Present.
52	May 11	Quorum call	Present.
		H.R. 2010, extending Mexican farm labor program for 2 years:	
53	May 11	On passage. (Passed 231 to 167.)	Nay.
		H.R. 6094, increasing annual salary ceiling for Council of Economic Advisers personnel from $345,000 to $2,000,000:	
54	May 11	On motion to recommit with instructions to reduce salary ceiling to $700,000. (Rejected 151 to 196.)	Yea.
55	May 11	On passage. (Passed 209 to 137.)	Nay.
56	May 15	Quorum call	Present.
57	May 16	Quorum call	Present.
		H. Res. 284, providing for consideration of H.R. 4614, establishing a U.S. Travel Service in Department of Commerce:	
58	May 16	On agreeing to resolution. (Adopted 241 to 70.)	Yea.
59	May 16	Quorum call	Present.
60	May 17	Quorum call	Present.
		H. Con. Res. 226, expressing sense of Congress favoring collective sanctions by the Organization of American States against Castro government of Cuba:	
61	May 17	On motion to suspend rules and pass resolution. (Passed 404 to 2.)	Yea.

Roll-call No.	Date	Measure, question, and result	Vote
		H.R. 4614, establishing a U.S. Travel Service in Department of Commerce	
62	May 17	On passage. (Passed 305 to 104.)	Yea.
63	May 24	Quorum call	Present.
		S. 1852, authorizing additional construction of aircraft, missiles, and naval vessels in fiscal 1962:	
64	May 24	On passage. (Passed 402 to 0.)	Yea.
		H.R. 1986, repealing provision intended to prevent railroads from charging higher rates for carrying non-first-class mail than for carrying express matter:	
65	May 25	On motion to recommit with instructions to add amendment requiring the ICC to publish the difference in rates paid to the railroads by the Post Office and Railway Express Agency for carrying similar weight commodities. (Rejected 16 to 346.)	Not voting.
66	June 1	Quorum call	Present.
		H.R. 7371, making appropriations for Departments of State and Justice, the judiciary, and related agencies for fiscal 1962:	
67	June 1	On passage. (Passed 256 to 71.)	Yea.
68	June 6	Quorum call	Present.
69	June 6	Quorum call	Present.
		H.R. 7444, making appropriations for Department of Agriculture for fiscal year 1962:	
70	June 6	On amendment reducing the $250,000,000 for agricultural conservation program to $150,000,000. (Rejected 184 to 196.)	Yea.
71	June 6	On passage. (Passed 320 to 65.)	Nay.
72	June 7	Quorum call	Present.
73	June 8	Quorum call	Present.
74	June 8	Quorum call	Present.
		H.R. 7446, providing 1-year extension of existing corporate normal tax and of certain excise tax rates:	
75	June 8	On motion to recommit with instructions to add language repealing the 10-percent transportation tax. (Rejected 189 to 196.)	Yea.
76	June 8	On passage. (Passed 295 to 88.)	Yea.
77	June 12	Quorum call	Present.
		H.R. 7053, providing that evidence should not be inadmissible in the District of Columbia courts solely because of a delay in arraignment (qualifies Mallory rule):	
78	June 12	On motion to recommit. (Rejected 104 to 252.)	Nay.
79	June 13	Quorum call	Present.
80	June 14	Quorum call	Present.
81	June 15	Quorum call	Present.
		H. Res. 303, disapproving the President's reorganization plan for the Federal Communications Commission:	
82	June 15	On agreeing to resolution. (Agreed to 303 to 77.)	Yea.
		H. Res. 302, disapproving the President's reorganization plan for the Securities and Exchange Commission:	
83	June 15	On agreeing to resolution. (Rejected 176 to 212.)	Yea.
84	June 19	Quorum call	Present.
		H.R. 6765, authorizing an amendment to charter of the International Finance Corporation permitting investment in capital stock:	
85	June 19	On motion to suspend rules and pass bill. (Passed 329 to 18.)	Yea.
		H.R. 7712, making supplemental appropriations for fiscal 1961:	
86	June 19	On passage. (Passed 292 to 63.)	Nay.
87	June 20	Quorum call	Present.
		H. Res. 304, disapproving the President's reorganization plan for the Civil Aeronautics Board:	
88	June 20	On agreeing to resolution. (Rejected 178 to 213.)	Yea.
		H. Res. 305, disapproving the President's reorganization plan for the Federal Trade Commission:	
89	June 20	On agreeing to resolution. (Rejected 178 to 221.)	Yea.
90	June 21	Quorum call	Present.
91	June 21	Quorum call	Present.
92	June 21	Quorum call	Present.
93	June 21	Quorum call	Present.
94	June 22	Quorum call	Present.
		H.R. 6028, authorizing $4,900,000,000 in Federal housing programs over 4 years:	
95	June 22	On motion to recommit with instructions to substitute bill extending existing programs for 1 year with a $1,100,000,000 authorization. (Rejected 197 to 215).	Yea.
96	June 22	On passage. (Passed 235 to 178.)	Nay.
97	June 26	Quorum call	Present.
98	June 26	Quorum call	Present.
		H.R. 7677, increasing the national debt limit:	
99	June 26	On passage. (Passed 231 to 148.)	Nay.
100	June 27	Quorum call	Present.
101	June 27	Quorum call	Present.
102	June 27	Quorum call	Present.
103	June 28	Quorum call	Present.
104	June 28	On amendment deleting a provision prohibiting price differentials in favor of economically depressed areas. (Rejected 173 to 239.)	Nay.
105	June 28	On passage. (Passed 412 to 0.)	Yea.
		S. 1922, authorizing $4,880,000,000 in housing programs over 4 years:	
106	June 28	On adoption of conference report. (Adopted 229 to 176.)	Nay.
		H. Res. 354, providing for a House of Representatives flag:	
107	June 29	On agreeing to resolution. (Rejected 108 to 270.)	Nay.
		H.J. Res. 225, granting the consent of Congress to the Delaware River Basin compact:	
108	June 29	On motion to recommit with instructions to limit Federal Government to nonvoting representation and exclude Federal Government from any financial responsibilities of the commission. (Rejected 92 to 257.).	Nay.
		H.R. 187, providing for judicial review of orders for deportation:	
109	July 10	On motion to suspend rules and pass bill. (Passed 304 to 60.)	Yea.
		H.R. 5786, providing for the establishment of Cape Cod National Seashore:	
110	July 10	On motion to suspend rules and pass bill. (Passed 278 to 82.)	Nay.
111	July 13	Quorum call	Present.
		H.J. Res. 435, providing for observance of the Department of Agriculture centennial:	
112	July 17	On motion to suspend rules and pass resolution. (Adopted 367 to 12.)	Yea.
		H.R. 2555, providing for advanced pay for civilian Government employees in emergency evacuations:	
113	July 17	On motion to suspend rules and pass bill. (Passed 285 to 86.)	Yea.
114	July 19	Quorum call	Present.
115	July 19	Quorum call	Present.
		H.R. 6874, authorizing appropriation for the National Aeronautics and Space Administration	
116	July 20	On adoption of the conference report. (Adopted 354 to 59.)	Yea.
		H. Res. 328, disapproving the President's reorganization plan for the National Labor Relations Board:	
117	July 20	On agreeing to resolution. (Adopted 231 to 179.)	Yea.
		H. Res. 336, disapproving the President's reorganization plan for the Federal Maritime Board and Maritime Administration:	
118	July 20	On motion to discharge the Committee on Government Operations from further consideration of H. Res. 336. (Rejected 184 to 215.)	Yea.
		H.R. 8302, making appropriations for military construction for fiscal 1962:	
119	July 25	On amendment eliminating funds for transfer of Army Food and Container Institute from Chicago to Natick, Mass. (Adopted 241 to 170.)	Nay.
120	July 25	On passage. (Passed 408 to 0.)	Yea.
121	July 26	Quorum call	Present.
122	July 27	Quorum call	Present.
123	July 31	Quorum call	Present.
		H.J. Res. 120, authorizing the President to order 250,000 members of the Ready Reserves to active duty for up to 12 months and to extend present Armed Forces tours of duty:	
124	July 31	On agreeing to the resolution. (Passed 403 to 2.)	Yea.
125	Aug. 1	Quorum call	Present.
126	Aug. 2	Quorum call	Present.
		S. 2311, authorizing additional appropriations for aircraft, missiles, and naval vessels, to meet possible Berlin crisis:	
127	Aug. 2	On passage. (Passed 406 to 0.)	Yea.
		H.R. 30, granting the consent of Congress to the northeastern water and related land resources compact:	
128	Aug. 2	On motion to recommit with instructions to limit participation of Federal Government to nonvoting representation. (Rejected 139 to 261.)	Yea.
129	Aug. 3	Quorum call	Present.

Roll-call No.	Date	Measure, question, and result	Vote
		S. 1643, providing wheat and feed grains program for 1962, and extending other farm laws (Agricultural Act of 1961):	
130	Aug. 3	On adoption of conference report. (Adopted 224 to 170.)	Nay.
131	Aug. 3	Quorum call	Present.
		H.R. 7856, reorganizing Federal Communications Commission to permit the FCC Board to delegate its functions in adjudicative cases to employees;	
132	Aug. 3	On passage. (Passed 198 to 150.)	Yea.
		H.R. 7728, authorizing the Secretary of a military department to sell goods and services to private aircraft owners:	
133	Aug. 7	On motion to suspend rules and pass bill. (Passed 307 to 78.)	Nay.
134	Aug. 8	Quorum call	Present.
		H. Res. 404, providing for House-Senate conference on H.R. 7576, authorizing appropriations for the Atomic Energy Commission for fiscal 1962:	
135	Aug. 8	On motion to table (kill) motion to instruct the House conferees not to agree to Senate amendment providing $95,000,000 to add electrical generating facilities to the Hanford, Wash., atomic reactor. (Rejected 164 to 235.)	Nay.
136	Aug. 8	On motion to instruct the House conferees not to agree to Senate amendment authorizing $95,000,000 to add electrical generating facilities to the Hanford, Wash., atomic reactor. (Adopted 235 to 164.)	Yea.
137	Aug. 8	Quorum call	Present.
		H.R. 8033, authorizing the Interstate Commerce Commission to delegate certain duties to employee boards:	
138	Aug. 8	On passage. (Passed 212 to 174)	Yea.
139	Aug. 9	Quorum call	Present.
		H. Res. 406, providing for the consideration of S. 1815, providing an Assistant Secretary of Labor, to handle the problems of women workers:	
140	Aug. 9	On adoption of the resolution. (Adopted 309 to 16.)	Yea.
141	Aug. 9	Quorum call	Present.
		H.R. 6302, transferring Freedmen's Hospital, District of Columbia, from Federal Government to Howard University:	
142	Aug. 9	On passage. (Passed 321 to 61.)	Yea.
143	Aug. 10	Quorum call	Present.
		H.R. 7851, making appropriations for the Department of Defense for fiscal 1962:	
144	Aug. 10	On adoption of conference report: (Adopted 383 to 0.)	Yea.
145	Aug. 10	Quorum call	Present.
146	Aug. 14	Quorum call	Present.
147	Aug. 14	Quorum call	Present.
148	Aug. 14	Quorum call	Present.
149	Aug. 14	Quorum call	Present.
150	Aug. 15	Quorum call	Present.
151	Aug. 15	Quorum call	Present.
152	Aug. 15	Quorum call	Present.
153	Aug. 16	Quorum call	Present.
154	Aug. 16	Quorum call	Present.
155	Aug. 17	Quorum call	Present.
156	Aug. 18	Quorum call	Present.
		H.R. 8400, authorizing foreign economic and military aid in fiscal 1962:	
157	Aug. 18	On passage. (Passed 287 to 140.)	Yea.
158	Aug. 21	Quorum call	Present.
159	Aug. 21	Quorum call	Present.
		H.R. 8384, providing Federal penalties for airplane hijacking and other crimes committed aboard commercial aircraft:	
160	Aug. 21	On motion to suspend rules and pass bill. (Passed 373 to 5.)	Yea.
161	Aug. 21	Quorum call	Present.
162	Aug. 22	Quorum call	Present.
163	Aug. 22	Quorum call	Present.
		H.R. 7763, authorizing planning for U.S. participation in the New York World's Fair in 1964 and 1965:	
164	Aug. 22	On motion to suspend rules and pass bill. (Passed 353 to 42.)	Yea.
165	Aug. 23	Quorum call	Present.
166	Aug. 24	Quorum call	Present.
		H.R. 84, subsidizing lead and zinc producers:	
167	Aug. 24	On passage. (Passed 196 to 172.)	Nay.
168	Aug. 24	Quorum call	Present.
		H.R. 8181, authorizing $20,000,000 for a National Fisheries Center and Aquarium in the District of Columbia:	
169	Aug. 28	On engrossment of and 3d reading of bill. (Ordered 223 to 120.)	Nay.
170	Aug. 28	On passage. (Passed 208 to 135.)	Nay.
		H.R. 7176, providing for a national hog cholera eradication program:	
171	Aug. 28	On passage. (Passed 337 to 3.)	Yea.
172	Aug. 29	Quorum call	Present.
		H.R. 8873, increasing readjustment payments to Armed Forces Reserve personnel involuntarily released from active duty:	
173	Aug. 29	On passage. (Passed 394 to 0.)	Yea.
174	Aug. 29	Quorum call	Present.
		H.R. 6242, exempting certain Department of Justice attorneys from the salary ceilings in their civil service classification:	
175	Aug. 29	On passage. (Rejected. 172 to 223.)	Nay.
176	Aug. 30	Quorum call	Present.
		H.R. 8890, authorizing a program of Federal aid to education:	
177	Aug. 30	On motion to consider bill under Calendar Wednesday procedure. (Rejected 170 to 242.)	Nay.
178	Aug. 30	Quorum call	Present.
		H.R. 8028, authorizing $30,000,000 for studying juvenile delinquency:	
179	Aug. 30	On amendment restricting pilot projects to the District of Columbia. (Rejected 187 to 217.)	Yea.
		S. Con. Res. 34, expressing the sense of Congress that Communist China should not be seated in the United Nations:	
180	Aug. 31	On adoption of resolution. (Adopted 395 to 0.)	Yea.
		S. 1983, authorizing foreign economic and military aid:	
181	Aug. 31	On adoption of conference report. (Adopted 260 to 132.)	Yea.
182	Sept. 5	Quorum call	Present.
183	Sept. 5	Quorum call	Present.
		H.R. 9033, making appropriations for foreign economic and military aid for fiscal 1962:	
184	Sept. 5	On amendment increasing military assistance by additional $300,000,000. (Adopted 242 to 151.)	Nay.
185	Sept. 5	On passage. (Passed 270 to 123.)	Yea.
186	Sept. 6	Quorum call	Present.
187	Sept. 6	Quorum call	Present.
		H.R. 9000, extending for 2 years the National Defense Education Act and aid to federally impacted school areas:	
188	Sept. 6	On motion to suspend rules and pass bill. (Passed 378 to 32.)	Yea.
189	Sept. 6	Quorum call	Present.
		H.R. 8723, amending the Welfare and Pension Plans Disclosure Act:	
190	Sept. 6	On motion to suspend rules and pass bill. (Rejected 245 to 161, a ⅔ vote being required.)	Nay.
		H.R. 8666, promoting educational and cultural exchanges between the United States and other nations:	
191	Sept. 6	On motion to suspend rules and pass bill. (Passed 329 to 66.)	Yea.
192	Sept. 6	Quorum call	Present.
193	Sept. 11	Quorum call	Present.
194	Sept. 12	Quorum call	Present.
195	Sept. 12	Quorum call	Present.
196	Sept. 13	Quorum call	Present.
		H.R. 8302, making appropriations for military construction for fiscal 1962:	
197	Sept. 13	On motion to agree to Senate amendment eliminating funds for transfer of Army Food and Container Institute from Chicago to Natick, Mass. (Adopted 212 to 185.)	Nay.
		H.R. 7371, making appropriations for Departments of State, Justice, and the Judiciary:	
198	Sept. 13	On motion to agree with Senate amendment extending the life of the Civil Rights Commission to September 1963. (Adopted 300 to 106.)	Yea.
		H.R. 9076, making appropriations for civil functions administered by the Department of the Army, Department of the Interior, Atomic Energy Commission, and the Tennessee Valley Authority for fiscal 1962 (Public Works):	
199	Sept. 13	On motion to recommit with instructions to eliminate funds for Upper Colorado River Basin transmission lines. (Rejected 182 to 24.)	Yea.
200	Sept. 13	On passage. (Passed 377 to 31.)	Yea.
201	Sept. 13	Quorum call	Present.

Roll-call No.	Date	Measure, question, and result	Vote
		H.R. 7576, authorizing appropriations for the Atomic Energy Commission:	
202	Sept. 13	On adoption of conference report and approval of construction of electric generating facilities at Hanford, Wash. (Rejected 155 to 251.)	Nay.
		H.R. 8102, extending the time for making grants under the Federal Airport Act:	
203	Sept. 13	On motion to agree with Senate amendment fixing extension at 3 years. (Adopted 396 to 4.)	Yea.
204	Sept. 14	Quorum call	Present.
		H.R. 7500, providing for a Peace Corps:	
205	Sept. 14	On passage. (Passed 287 to 97.)	Nay.
206	Sept. 15	Quorum call	Present.
		H. Res. 455, providing for a conference with Senate on H.R. 2010, extending Mexican farm labor program:	
207	Sept. 15	On adoption of resolution. (Adopted 243 to 135.)	Nay.
		H. Res. 464, providing for the consideration of committee substitute amendment to H.R. 7927, adjusting postal rates:	
208	Sept. 15	On motion to order previous question (to prevent debate). (Rejected 142 to 222.)	Nay.
209	Sept. 16	Quorum call	Present.
		S. 2393, extending for 2 years the National Defense Education Act and aid to federally impacted school areas:	
210	Sept. 18	On motion to suspend rules and pass bill. (Passed 342 to 18.)	Yea.
		S. 1459, adjusting longevity step increases for postal employees:	
211	Sept. 18	On motion to suspend rules and pass bill. (Passed 361 to 4.)	Yea.
		H.R. 5751, providing for notification to recipients that his mail may contain Communist propaganda from abroad and providing for return to sender:	
212	Sept. 18	On motion to suspend rules and pass bill. (Passed 369 to 2.)	Yea.
		H.R. 8914, amending the Soil Conservation and Domestic Allotment Act regarding participation in 1962 feed grain program:	
213	Sept. 18	On motion to suspend rules and pass bill. (Rejected 213 to 149, a ⅔ vote being required.)	Nay.
		H.R. 7377, increasing number of highest paid employees in Federal agencies:	
214	Sept. 18	On motion to suspend rules and pass bill. (Passed 305 to 53.)	Yea.
215	Sept. 19	Quorum call	Present.
		H.R. 9118, establishing U.S. Arms Control Agency:	
216	Sept. 19	On passage. (Passed 290 to 54.)	Nay.
217	Sept. 20	Quorum call	Present.
218	Sept. 20	Quorum call	Present.
		H.R. 7500, providing for a Peace Corps:	
219	Sept. 21	On adoption of conference report. (Adopted 253 to 78.)	Nay.
		H.R. 5628, providing Federal funds to study the establishment of a botanic garden in Hawaii:	
220	Sept. 21	On motion to suspend rules and pass bill. (Rejected 215 to 125, a ⅔ vote being required.)	Nay.
		H.R. 4172, establishing a Federal Council on the Arts:	
221	Sept. 21	On motion to suspend rules and pass bill. (Rejected 166 to 173.)	Nay.
222	Sept. 22	Quorum call	Present.
		H.R. 258, increasing the District of Columbia sales tax:	
223	Sept. 23	On adoption of conference report. (Rejected 142 to 159.)	Nay.
224	Sept. 23	Quorum call	Present.
		H.R. 7377, increasing number of highest paid employees in Federal agencies:	
225	Sept. 23	On adoption of conference report. (Adopted 228 to 71.)	Nay.
		H.R. 9118, establishing U.S. Arms Control Agency:	
226	Sept. 23	On adoption of conference report. (Adopted 252 to 50.)	Nay.
227	Sept. 26	Quorum call	Absent.
228	Sept. 26	Quorum call	Absent.
		H.R. 258, increasing the District of Columbia sales tax:	
229	Sept. 26	On adoption of conference report. (Rejected 97 to 173.)	Not voting.
		H.R. 9033, making appropriations for foreign economic and military aid for fiscal 1962:	
230	Sept. 26	On adoption of conference report. (Adopted 192 to 81.)	Not voting.
231	Sept. 26	On motion to agree with Senate amendment providing that foreign aid Inspector General need not honor a request for information from Congress if the President certifies he has forbidden him to do so.	Not voting.

Pike Reports on His First Session

EXTENSION OF REMARKS
OF
HON. OTIS G. PIKE
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Wednesday, September 27, 1961

Mr. PIKE. Mr. Speaker, I take this opportunity to present to the approximately 950,000 residents of the First Congressional District of the State of New York, through the CONGRESSIONAL RECORD, my report on the record of the 1961 session of Congress, and of their Congressman. I will get this report into the hands of as many of them as possible through this means, but I have neither the equipment nor the resources to get it to all of them. I hope that those who choose to throw it away—because it comes from a member of the wrong party, perhaps—will at least throw it in some public place where other, weaker souls might chance to pick it up.

First, as to the congressional district itself. Early in the year 1961 the figures on the 1960 census were made available, and they showed what we all knew already—that nowhere in America is the population exploding faster than in the First Congressional District of the State of New York. From a population of approximately 350,000 in 1950 it had reached 906,187 by 1960. It includes 350,000 more people than the next largest district in the State of New York, and is the fourth largest in the country. Among other interesting items the census turned up was the fact that we have the highest percentage of privately owned homes of any area in the country—87 percent of us own our own homes.

We also have the highest percentage of letter writers in the country. This is not a statistic; it is an opinion. During the 9 months that the House was in session, my office in Washington received approximately 20,000 letters from the people of the district, and my office in Riverhead received several thousand more. These letters covered every subject imaginable—from queries as to whether the Veterans' Administration would pay for elastic hose and false teeth for disabled veterans, necessitated by wartime injury—yes—to whether I could get an errant husband transferred to a Federal penitentiary closer to home—no. The largest volume of mail—approximately 1,400 letters each—was concerned with the 2 subjects of Federal aid to education—great difference of opinion—and changes in the tax law—they were against them.

As to the Congress generally—it was a conservative one. With one exception the Congress appropriated less money than the administration asked for to carry out its varied programs. The single exception, of course, was military preparedness, and in this case the worsening international situation made a change imperative after the President submitted his budget. Without exception the House of Representatives was more conservative than the Senate. Time after time the House would refuse to accept the monetary recommendations which the Senate had already approved. There were 18 major administration requests for money, totaling $91.5 billion. The Senate approved $90.5 billion of this; the House $79.3 billion; and the final compromise figure passed was $86.6 billion—this is what Congress spent this year. It is a tremendous amount of money, but I believe that, in general, it was spent wisely. By far the largest amount, $47.6 billion, was spent directly on our own national defense, and $1.6 billion more was spent on military assistance to our allies. As a member of the Armed Services Committee, I had the opportunity to hear our military leaders and Defense Department officials explain in detail the need for this tremendous expenditure. In general, I supported the itemized expenditures in committee, and without exception supported the final bills on the House floor.

The next largest appropriation for a single department, however, was one I could not support. This was a $6 billion appropriation to the Department of Agriculture. While the Department does many useful things, it is still using the bulk of its money in what I feel is a tremendously wasteful price support program on six basic agricultural commodities. I do not see any justification for continuing to pay price supports for

growing agricultural products when the Government already has on hand nearly $9 billion of such products, costing a million and a half dollars a day to store. Federal programs are certainly necessary to prevent overproduction of these commodities, but once the overproduction is stopped the price will rise to a point where the farmer can make a good living on the open market without the necessity of a Federal subsidy. I see no more reason to pay farmers for not growing too much than I see for paying motorists not to drive too fast.

Without going through all of the items with which Congress concerned itself this year, the general pattern of the legislation developed as follows. In the early days of the session the Congress was deeply concerned with the serious recession in which we found ourselves and quickly passed several antirecession measures. These included aid to depressed areas, temporary unemployment benefits, and aid to dependent children. I supported all of these emergency measures.

During the middle period of the long session, the Congress was occupied with long-term programs aimed at keeping both our economy and our defenses strong. I supported all of the defense measures and over half of the rest of them. The defense bills and the farm bill I have already discussed; but among the other matters which came up during this period were liberalization of the social security and minimum wage laws, which I supported, and a housing bill which I supported in the House, but which was made so liberal by the Senate that it seemed financially irresponsible to me, and I was obliged to vote against the compromise measure which came out of the House-Senate conference.

During this middle period many items were passed which may not be of such great significance nationally, but which are of tremendous importance to our own area now and for the future. Among these is an increased water pollution control program, a program for converting salt water to fresh water, and grants for the improvement of airports. Of national significance was the approval of a greatly expanded civilian space research program.

It was during this middle period also that the administration's comprehensive aid to education program bogged down. While I was prepared to support a much broader program, I was happy that the program of Federal aid to impacted school districts was extended, as were the scholarship and loan provisions of the National Defense Education Act. The impacted areas program alone has meant about $2 million a year to our area.

The final phase of the operations of this Congress was devoted largely to the traditionally bipartisan matters concerning the conduct of our foreign affairs. This included such widely debated items as foreign aid, the Peace Corps, and the Arms Control and Disarmament Agency. After all the debate was over, the traditional bipartisanship prevailed, and the foreign aid appropriation, the Peace Corps, and the Arms Control and Disarmament Agency all received majority support from both parties.

The longest session of Congress in 10 years adjourned at 6:16 a.m. on September 27, after being in session since January 3—and up all night on the 26th of September. It was a hard-working, productive session. I have appreciated the opportunity to be part of it, and have tried to be conscientious about the job. On 116 rollcall votes during the 9-month session, I voted 116 times. On 115 quorum calls in the same period I was present 114 times. I have kept in touch with my constituents through weekly reports in 30 weekly newspapers and weekly broadcasts over 6 radio stations. They have kept in touch with me by mail, telegraph, telephone, and personal visits to both Washington and my Riverhead office. I have tried to represent them faithfully, but I have not pleased them all. I have tried to help them, but I have not always been successful.

Next year the Nation will be confronted with the same basic problems. The cold war, Berlin, Cuba, Laos, and problems of foreign affairs will be at the front of everyone's mind. The basic issue will continue to be war or peace. In Congress the most controversial issue will be the financing of medical care for the elderly through the social security system. No one expects that it will be an easy session. The international problem which confront us are not going to disappear. We will, however, be able to start with an economy in good shape, a satisfactory balance of payments internationally, and the knowledge that in our foreign affairs we are operating from a strong domestic base.

What the successes and failures of the recent session of Congress have been depends, of course, on each constituent's own particular point of view on any given legislation. Those things which the Democrats call successes the Republicans are likely to call failures. Those things which the Republicans hail the Democrats may want to ignore. The best analysis which I have seen was written by the syndicated columnist, William S. White, who started his column as follows:

It is now clear that the record of this session of Congress, the final paragraphs of which are now being written, will not please the Democratic National Committee, the Republican National Committee, or any other loudly partisan group or interest.

The frantically liberal will not like it. Nor will the desperately ultraconservative. It won't win or lose any national elections, either the 1962 congressional election or the 1964 presidential election. It may, however, turn out to be quite pleasing to people of temperate minds and moderate purposes who don't care about politics for its own sake, but see it simply as a means by which certain things are accomplished, preferably in a quiet and rational way.

That is the kind of Congress it has been. I believe it is what the country needed. I am very grateful for the opportunity to have been a part of it.

My itemized voting record is as follows:

Date	Issue	Vote
Jan. 3, 1961	Election of Speaker. (Rayburn 258, Halleck 170.)	Rayburn.
Jan. 31, 1961	Enlargement of Rules Committee. (Yea 217, nay 212.)	Yea.
Mar. 1, 1961	Temporary extension of unemployment compensation. (Yea 392, nay 30.)	Yea.
Mar. 1, 1961	Continue House Committee on Un-American Activities. (Yea 412, nay 6.)	Yea.
Mar. 7, 1961	Supplemental appropriation for impacted school districts. (Yea 339, nay 62.)	Yea.
Mar. 9, 1961	Price support program for feed grains. (Yea 209, nay 202.)	Nay.
Mar. 23, 1961	Military construction bill. (Yea 412, nay 0.)	Yea.
Mar. 24, 1961	Increase minimum wage coverage. (Yea 341, nay 76.)	Yea.
Mar. 29, 1961	Aid to economically distressed areas. (Yea 251, nay 167.)	Yea.
Apr. 19, 1961	Appoint additional Federal district and circuit court judges. (Yea 336, nay 76.)	Yea.
Apr. 20, 1961	Improve social security benefits. (Yea 400, nay 14.)	Yea.
Apr. 25, 1961	Latin American aid. (Yea 330, nay 82.)	
May 3, 1961	Water pollution control. (Yea 308, nay 110.)	Yea.
May 7, 1961	Consider sanctions on Cuba. (Yea 404, nay 2)	Yea.
May 17, 1961	Encourage foreign tourists. (Yea 305, nay 104)	Yea.
May 24, 1961	Armed Forces appropriation. (Yea 402, nay 0.)	Yea.
June 6, 1961	Agricultural appropriations, including price supports. (Yea 320, nay 65).	Nay.
June 8, 1961	Repeal tax on railroads. (Yea 189, nay 196.)	Yea.
June 22, 1961	Housing Act of 1961. (Yea 235, nay 178.)	Yea.
June 28, 1961	Conference report on housing bill. (Yea 229, nay 176.)	Nay.
June 29, 1961	Provide a flag for Congressmen. (Yea 108, nay 270.)	Nay.
June 29, 1961	Delaware River Basin compact. (Motion to recommit.) (Yea 92, nay 257.)	Nay.
July 10, 1961	Establish Cape Cod National Seashore. (Yea 278, nay 82.)	Yea.
July 31, 1961	Authorize President to order Reserves to active duty. (Yea 403, nay 2.)	Yea.
Aug. 2, 1961	Northeastern States water compact. (Motion to recommit.) (Yea 139, nay 261.)	Yea.
Aug. 8, 1961	Eliminate public power project from atomic energy appropriation. (Yea 235, nay 164.)	Yea.
Aug. 18, 1961	Foreign aid authorization. (Yea 287, nay 140.)	Yea.
Aug. 21, 1961	Make hijacking aircraft capital crime. (Yea 374, nay 5.)	Yea.
Aug. 22, 1961	New York World's Fair participation. (Yea 353, nay 42.)	Yea.
Aug. 24, 1961	Subsidize lead and zinc mines. (Yea 196, nay 172.)	Nay.
Aug. 30, 1961	Consider Federal aid to education. (Yea 170, nay 242.)	Yea.
Aug. 31, 1961	Oppose Red China in U.N. (Yea 395, nay 0.)	Yea.
Sept. 5, 1961	Foreign aid appropriation. (Yea 270, nay 123.)	Yea.
Sept. 6, 1961	Extend Federal aid to impacted school districts. (Yea 378, Nay 32.)	Yea.
Sept. 6, 1961	Strengthen Welfare and Pension Plan Disclosure Act sanctions. (Yea 245, nay 161.)	Yea.
Sept. 6, 1961	Encourage international educational and cultural exchanges. (Yea 329, nay 66.)	Yea.
Sept. 13, 1961	Extend Civil Rights Commission. (Yea 300, nay 106.)	Yea.
Sept. 13, 1961	Remove Colorado River public power project from appropriation bill. (Yea 182, nay 225.)	Yea.
Sept. 13, 1961	Extend Federal Airport Construction Act. (Yea 398, nay 4.)	Yea.
Sept. 14, 1961	Establish Peace Corps. (Yea 288, nay 97.)	Yea.
Sept. 15, 1961	Increase postal rates. (Yea 142, nay 222.)	Nay.
Sept. 18, 1961	Improve postal employees' longevity pay benefits. (Yea 360, nay 4.)	Yea.
Sept. 18, 1961	Require additional registration of Communist propagandists. (Yea 369, nay 2.)	Yea.
Sept. 19, 1961	Establish Arms Control and Disarmament Agency. (Yea 290, nay 54.)	Yea.
Sept. 26, 1961	Foreign aid appropriation. (Yea 192, nay 81.)	Yea.

A Hundred Years Ago in the Congress

EXTENSION OF REMARKS
OF
HON. ROBERT R. BARRY
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Wednesday, September 27, 1961

Mr. BARRY. Mr. Speaker, recently a constituent of mine came across a letter written in 1855 describing his grandfather's visit to Washington. John L. Davidson was thoughtful enough to send a copy on to me. It is a delightful piece which I would like to share with my colleagues:

DEAR MR. BARRY: I have been transcribing a number of old letters and other papers which were the property of my grandfather, John Mitchell Davidson (1829–1917) and I have just uncovered a letter written by him to his wife-to-be from Philadelphia on February 20, 1855.

Among other things there are two paragraphs describing a visit to the House and to the Senate and I thought you would be interested to get a brief eye witness account of the Washington scene 106 years ago.

Grandfather Davidson, when writing double "s" he always wrote it as "fs" a form which had been handed down from colonial days.

During the Civil War he was badly disabled at the battle of Kennesaw Mountain in June 1864 and spent the rest of the war as a patient in Confederate military hospitals.

It is not my purpose to burden you with matters of a personal nature, but I thought you might be interested in reading the references to Washington.

Sincerely,

JOHN L. DAVIDSON.

(NOTE.—This letter was written to Julia A. Dunn by John Mitchell Davidson while he was on a buying trip to Baltimore and Philadelphia to purchase goods for a country store in Ducktown, Tenn. He was 26 years old at the time the letter was written. John married Julia on November 1, 1855 at Calhoun, Ga., and later served from 1862 to 1865 in the Confederate Army. His wife lived in Atlanta, Ga., from November 1862 until the surrender of the city to General Sherman on September 1, 1864. She and two small children were evacuated to Anderson, S.C. in a box car just prior to the burning of Atlanta by Sherman.)

PHILA PENN, *Feby 20th, 1855.*

DEAR JULIA: I arrived in this beautiful Quaker City this morning at 1 o'clock in the train from Baltimore, having left Washington City yesterday evening at 5 o'clock, at which city I spent two days with Bro A. T. Davidson whom I found their on businefs. On Monday we visited the National Galery & Pat Office, the greatest curiosity I have ever seen and worth all the shows I have ever seen. There I saw Genl Washington's full drefs worn when he made his farewell addrefs and his camp equipage had in the Revolutionary War; Genl Jackson's drefs uniform worn at the battle of N Orleans; Franklin's printing prefs, rifle and everything that was used by our fore fathers, besides collections if all animals, birds, and all the feathered tribes, serpents, fish and everything of the kind that lives & inhabits the different regions of all the world collected by our different ministers from other provinces under the sun, and models of all the machinery and anything that has ever been patented by act of Congrefs.

Well, after visiting that, we took a peep at a distance of the White House, where little Frankie lives. From thence we went up to the Capitol, first entering the Rotundi where I saw some of the best paintings and sculpture in the world—amongst which—the baptism of Pocohontas, Columbus discovering America, Declaration of Independence, surrender of Genl Burgoin, the Battle of New Orleans and a great many paintings forgotten at this time. Well, amongst the sculpturings are two specimens of Columbus discovering America with the globe supported on a hand; Genl Washington as a Genl and as a civilian with the inscription on each side—"First in peace, first in war and first in the hearts of his country"—and many Romish generals and many other things that would take one of greater intellect & greater powers of description than little Johnnie!

Well, we went into the House of Representatives where is the bright stars that illumine our Glorious Union, where I had the most exquisite pleasure of hearing some of the great Talent of the Union, but on the other hand, sorry to see such bad order prevailing in a body to make Laws for the great United States. But I was told on that day it was worse than usual a/c of the President having vetoed the great French Spoliation Bill, which he did on last Saturday evening to the great disappointment of all parties, but, Julia, I afsume Frankie is considered small potatoes if he is President and his own party is forsaking him.

Next we went into the Senate Chamber where I afsure you we saw some dignity and good order prevailing. The Great California and Pacific Railroad Bill was the matter of discufsion. I heard the Hons Pratt and Misfo, Sewrad of N.Y., Rusk of Texas, Guinn of Calia, Miller of S.C., and some other able men, names not recollected. I afsure you that it made a mountain *boy* feel rather *large* to see s much ability and greatnefs and much to please and amuse the enqyuring mind.

I got on safely, not meetin with any accident whatever—I pafsed through many beautiful cities and had fine times traveling on the cars and Steam Boats. I pafsed through Sam's city last night (Baltimore) just at Seven o'clock. The Engine enters outside the city where it is met by a team of horses that pulls the cars through the city, one man on the platform blough (blew) a horn all the while as though he was a twin Bro of Gabriel!, which is to keep children and anything off the track, most of the city we pafsed through they rong the large engine bell all the time.

O Julia, I afsure you that I thought of you and Sam pafsing through Baltimore and I laughed to *myself*—I love to think of you Dear Julia—I would be happy to see you tonight to show you the beautiful city of Phila which is all lighted up with gas and looks most beautifully.

I have been looking around today & formed several acquaintances. I had a letter to some gentlemen who have been introducing me to other businefs men. You should just see me—how I tried to do my best in the easiest way—I am truly happy to say to you, Julia, that I will have no difficulty in buying Goods as all the houses I have formed the acquaintance of seem willing to sell me what Goods I want. I will commence making my purchases in the morning and get through perhaps by the first of next week and then start home where I hope to see you in Calhoun.

I went to the Methodist Church tonight on Arche St where I heard some excellent speaking on the missionary cause in the city. I must close for fear to wear your patience out, for I have a retched bad pen. My compliments to Pa, Ma, Jenie & Willie. Julia, I would be glad to hear from you but I am afraid to say to you to write to Charleston for fear it would not get their, but write immediately to Charleston if you are in Calhoun and if I should leave before it reaches their, I will have my friends forward it to Ducktown, write to me to care of Mefsrs Hyatt, McBurney & Co.

Hoping to hear from you, I will close. Pardon this scribble and excuse all imperfections as I am writing in a large public Hall and several people are walking around me,—Beleive me, dear Julia, to be as ever, yours

Devotedly,

J.M.D.
(Alias Amos).

Problems as a Result of Foreign Competition for Domestic Business

EXTENSION OF REMARKS
OF
HON. CARROLL D. KEARNS
OF PENNSYLVANIA
IN THE HOUSE OF REPRESENTATIVES
Wednesday, September 27, 1961

Mr. KEARNS. Mr. Speaker, at this critical time in our Nation's history while our attention is focused on the Berlin crisis and on other crises throughout the world, I believe we are disregarding another threat which, in its long term effect, may be as damaging to the basic strength of our country. It is incredible but true that what was only a small and insignificant trickle of foreign imports into this country 10 years ago has now become a raging torrent which threatens to undermine our whole economy.

A special subcommittee of the Education and Labor Committee has been set up to study this problem. This subcommittee, which is ably headed by Congressman JOHN DENT, of Pennsylvania, and of which I am the ranking minority member, has conducted extensive hearings. These hearings reflect that this Nation is now at the peril point with respect to foreign imports and, in the event steps are not taken to limit these imports, serious damage will be done.

A graphic example of the impact of foreign imports is furnished by our own hydraulic turbine manufacturing industry. Therefore, I would like to briefly outline the problems which it faces as a result of foreign competition for domestic business.

HYDRAULIC TURBINE INDUSTRY

The hydraulic turbine industry in the United States is relatively small. The average annual domestic bookings for the total industry has only been approximately $27 million per year during the past 10 years. The Federal Government is by far the largest purchaser of hydraulic turbines in the United States, and has accounted for approximately 60 percent of the industry's average domestic bookings during the past 10 years.

The engineering manpower, the extremely large tools and the facilities in the hydraulic turbine manufacturing industry are highly specialized, with practically no opportunity for product diversification. During peacetime they have an economic value only for use in

the manufacture of hydraulic turbines. These facilities have, however, in the past, and undoubtedly will in the future, be required for defense production and would contribute greatly to our national secuirty and defense.

THE PROBLEM

American industry has long been aware of the threat to its existence posed by foreign competition utilizing low-cost labor. The difference in wage rates paid in the United States and those paid abroad is of such magnitude and importance that foreign producers can underbid American manufacturers by substantial margins. Import duties on hydraulic turbines are currently 15 percent, having been reduced from the former rate of 27½ percent through the workings of our reciprocal trade agreement acts. The current rate of 15 percent is meaningless and provides no adequate protection against the impact of cheap foreign labor. American industry has long been aware of this lack of protection and has repeatedly made futile efforts over a 12- to 15-year period to obtain remedial action. As late as last year, discussions were held with the Tariff Commission about this situation and the Tariff Commission advised that they were powerless to act on any threatened injury to the industry until such time as actual imports reached a sufficiently high level to invoke the peril point provisions. Manifestly when this point is reached, there will no longer be a domestic hydraulic turbine industry since the production of hydraulic turbines usually involves a minimum manufacturing cycle of at least 2 years, and the damage to the industry would have occurred long before the actual imports reached our shores.

BUY AMERICAN ACT

For many years American industry relied on the dual effect of tariffs and the Buy American Act for protection on Federal procurement of hydraulic turbines. The Buy American Act, until 1954, provided a differential of 25 percent in favor of domestic producers.

Foreign competition on Federal projects began to be evident about 1952, but it was not until 1954 that a contract was awarded to a foreign manufacturer. This contract, for two hydraulic turbines for the U.S. Corps of Engineers' Table Rock project, was awarded on the basis of the reduction of the 25-percent preference to 6 percent when Executive Order 10582, which provided a new interpretation of the Buy American Act, was issued in December 1954. Since that time foreign producers have been successful in obtaining a substantial number of important Federal turbine contracts and in 1959, 52.78 percent of the dollar value of Federal procurement of hydraulic turbines was awarded to foreign manufacturers. In that same year, as a result of the example set by our Federal Government, a public utility district awarded a contract amounting to almost $10 million to a foreign manufacturer. Thus foreign manufacturers obtained in excess of $16½ million out of total orders for $31¼ million placed in the United States in 1959.

DOMESTIC MANUFACTURERS PURCHASE ABROAD

As a result of the tremendous impact of foreign competition, one domestic manufacturer since 1959 has resorted to the use of foreign materials and manufactured components, and a second producer, the following year, commenced bidding in this manner also. Since the inception of this practice, five Federal contracts have been awarded to domestic manufacturers whose bids were based on the supply of varying percentages, up to as much as 49 percent, of foreign components, and in addition the low bid on a project involving the largest single contract in the history of the hydraulic turbine business has been submitted on this basis by one of the aforementioned companies.

LOSS OF JOBS FOR AMERICAN LABOR

A careful estimate, based on information obtained from the various procuring agencies of the actual parts being supplied from foreign sources on the projects mentioned above, indicates that approximately 852,000 man-hours of employment for American labor has already been exported to foreign countries as a result of the current interpretation of the Buy American Act, which permits up to 50 percent of the cost of the article to be supplied from foreign sources. The pending award of a contract for the John Day and Lower Monumental projects, on the basis of an analysis of the proposal by the low bidder, would export approximately 1,700,000 additional man-hours to foreign labor.

Foreign nations do not export jobs for their workers as is the practice in this country. It is well known that no nation which has a domestic hydraulic turbine industry other than the United States permits competition from foreign sources for their own state requirements whenever their domestic manufacturers are able to supply the size and type of equipment required. Therefore, a buy American policy for Federal purchases would not be in contravention of prevailing world practices.

BUY AMERICAN ACT WEAKENED BY INTERPRETATION

The Buy American Act was enacted into law by the 72d Congress. The debate in Congress clearly shows that this act was passed to alleviate unemployment and to create employment. It is especially pertinent to note that the legislative history, as reported in both the House and Senate, shows that one of the reasons why the act was passed was to prevent award to a foreign supplier of a particular Federal contract for hydraulic turbines so that man-hours of employment would not be lost to American labor.

This act has never been amended, but its value as a protection to American labor has been vitiated by interpretation. The act itself provides that all Federal purchases of articles, materials, and supplies must be "substantially all" of domestic origin unless the low domestic bid is considered to be unreasonable. The law itself does not provide any measure of unreasonableness. For many years Federal procurement practice had been to apply a 25-percent differential as a yardstick and any domestic bid which was not more than 25 percent higher than a low foreign bid was acceptable. With the issuance of Executive Order 10582 in 1954, this differential was reduced to 6 percent except in instances where the goods offered by the low domestic bidder were to be produced in a labor surplus area. Under such circumstances the differential is 12 percent. Also by interpretation the provision "substantially all" of domestic origin has been perverted so that anything less than 50 percent from foreign sources, calculated on a basis of cost, still qualifies as a domestic bid. Obviously, under this interpretation the Buy American Act provides no realistic protection to American industry when consideration is given to the tremendous differential which exists between prevailing American wages and foreign labor rates. Based on information published by Steel magazine, September 5, 1960, the average rate of pay in manufacturing, including fringe benefits, is $2.75 per hour in the United States. Comparable rates in Sweden are $1.08 per hour, 80 cents per hour in West Germany, 77 cents in England and only 55 cents an hour, including all fringe benefits, in Japan.

NO OPPORTUNITY TO SAVE MAN-HOURS

In the production of heavy equipment such as hydraulic turbines, each of which is especially designed to meet the particular requirements of a given project, there is no opportunity to utilize labor saving devices such as are used in mass production industries. The manufacturing facilities in factories of our foreign competitors are directly comparable, if not better than those which domestic producers can afford. Therefore, the man-hours required in manufacture are directly comparable regardless of the country of origin. The inequity to U.S. industry is compounded by the fact that much of the equipment in the plants of foreign manufacturers was supplied directly or indirectly through American aid after World War II and is therefore extremely modern.

MAN-HOURS SHOULD BE MEASURED

The use of cost as a measure of the proportion of a contract to be supplied partially from domestic sources and partially from foreign sources is without legal basis. The Buy American Act makes no reference whatsoever to cost in connection with the requirement that the articles to be purchased should be produced in the United States and made substantially all of American articles, materials and supplies Under a statute designed to preserve employment in the United States, determination as to whether a product is of American or foreign origin should of necessity be made on the basis of the man-hours required to build or to manufacture the equipment and its components rather than on the basis of cost. The use of the cost method of analysis actually encourages a greater use of foreign goods made in low-wage countries and permits even greater percentages of imports than would be permissible under a man-hours basis of analysis. In brief, the use of

the cost method of analysis encourages the export of American jobs.

Foreign bidders are quite aware of the administration of the Buy American Act and they have adjusted their bid levels as the preference differential in favor of domestic producers has been reduced. Prior to the issue of Executive Order No. 10582 foreign bids were usually only slightly less than 25 percent under the level of domestic tenders, but promptly after Executive Order 10582 became effective the level of foreign bids appears to have risen to take full advantage of the reduced preference.

Federal departments involved in the procurement of hydraulic turbines, namely U.S. Army Corps of Engineers and Bureau of Reclamation, adhere to the present interpretations of the Buy American Act. However, it is interesting that the Tennessee Valley Authority, an independent agency, has arbitrarily established a preference differential of 20 percent in evaluating it's awards.

HYDRAULIC INDUSTRY VITAL TO DEFENSE

The manufacturing facilities of the hydraulic turbine industry include some of the largest machine tools in the United States, and these facilities have been recognized as an important adjunct to our national defense base. National security considerations are therefore clearly involved since these facilities cannot be maintained unless sufficient hydraulic turbine orders are available to justify their existence because no other products require manufacturing facilitie of such magnitude.

On Jurie 27, 1956, the American hydraulic turbine manufacturing industry requested the Director of the Office of Civil and Defense Mobilization—at that time the Office of Defense Mobilization—to limit Federal procurement of hydraulic turbines to American suppliers. The appeal was made under the provision of the Buy American Act and Executive Order No. 10582, with specific reference to section 3(d) of that order.

After approximately a year of study, the Director of OCDM came to these conclusions, reported in his letter to the industry of March 8, 1957:

On the basis of the committee's findings and on my own study, I do not believe the present situation justifies a ruling that would recommend to Federal procurement agencies that all contracts for hydraulic turbines should be limited to U.S. suppliers.

In reaching this conclusion I have been influenced strongly by the fact that section 3(d) of Executive Order No. 10582 clearly envisages that exceptions under that section will be made on a case-by-case basis. Therefore, I recommend that decisions regarding procurement of hydraulic turbines continue to be made on a case-by-case basis. However, in view of the importance of the engineering skills and tools in the hydraulic turbine industry, I have instructed the Office of Defense Mobilization staff and the Inter-Agency Committee to keep future developments in the industry under close study.

I appreciate the opportunity of meeting with you and other representatives of the industry and want to assure you that each future case referred to this office for advice under section 3(d) of the order will receive our most careful and objective consideration.

Sincerely yours,

ARTHUR S. FLEMMING, *Director.*

Again in 1958 the Office of Civil and Defense Mobilization, in connection with a proceeding under section 8 of the Trade Agreements Extension Act of 1958, made a study of the impact of foreign built heavy electric power equipment and hydraulic turbines on the domestic industry. The findings of this study were reported in a memorandum of decision issued on June 12, 1959. The OCDM Director in this decision found:

In the case of hydraulic turbines, I have concluded that if there were a substantial preemption of U.S. requirements by foreign hydraulic turbines, this could raise a question of national security. Inasmuch as Federal procurement of hydraulic turbines represents an important part of market availability to domestic producers of such items, I have recommended to the President that he provide for the review from time to time of the extent to which there is a dependence by the United States on foreign hydraulic turbines in order to determine whether any alteration in present policy would be necessary in the interests of national security. Meanwhile, in exercising its responsibilities under section 8 of the Trade Agreements Extension Act of 1958, the Office of Civil and Defense Mobilization will maintain a continuing study of imports of hydraulic turbines.

Both of these findings by OCDM clearly indicate a recognition of the essentiality of the hydraulic turbine manufacturing industry to our national security. Despite this recognition of essentiality, Federal purchases from foreign producers have continued unabated. The resort to partial foreign manufacture by some domestic producers represents a valiant effort to continue in the hydraulic turbine business, but such action does not insure the continuance of their manufacturing facilities since such facilities can only be maintained when there is sufficient production to justify their existence.

UNFAVORABLE BALANCE OF PAYMENTS

In addition to the loss of jobs for American labor and the serious weakening of our national defense base, consideration must be given to the impact on the economy of the United States of our present procurement practices. At a time when an unfavorable balance of payments is a matter of serious concern to our Government, it hardly seems prudent to increase the outward flow of gold by awarding sizable contracts for Federal requirements to foreign producers. Such procurement not only adversely affects our balance of payments, but also results in an appreciable reduction in the flow of tax revenue to our Treasury. The loss of employment produces less income tax return from individuals and the loss of corporate profit reduces the corporate income tax revenue.

One of the arguments advanced in the past by our State Department, which has consistently been the one executive agency to advocate the circumvention of the intent of the Buy American Act, was the urgent need of dollar balances by friendly nations and the need to increase employment in those nations. Both of these needs no longer exist. Our foreign friends now generally enjoy favorable dollar trade balances and their economies have reached unprecedented levels of prosperity. Unemployment is no longer a matter of concern to them. Rather, a lack of manpower has now become a serious problem in some counties. This situation is particularly true in the nations which have important hydraulic turbine manufacturing facilities. It is our understanding that in the two studies by OCDM previously mentioned, the State Department was consulted and probably strongly influenced the OCDM in its findings.

SUMMARY

I believe the above information definitely indicates that the continued existence of the hydraulic turbine industry, as well as many other American industries, is seriously threatened by foreign imports; jobs for American labor are being lost; and the outward flow of gold is being increased and income to our Treasury is being reduced by the present application of the Buy American Act. Prompt remedial action is needed to correct this situation if our industries are to survive. A review of Federal policy should be undertaken by Congress and the Buy American Act should be strengthened in such a manner that it will be restored to its original effectiveness and contravention by administrative procedures will be prevented.

New York's Governor Urges Creation of a Department of Transportation

EXTENSION OF REMARKS

OF

HON. JOHN R. PILLION

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 27, 1961

Mr. PILLION. Mr. Speaker, I am pleased to insert in the RECORD at this time an article that appeared in the September 14 edition of the Buffalo Evening News. The article "Cue From Rocky," outlines the urgent need for a new systematic approach to "railroad consolidations, acquisitions and mergers." The article follows:

CUE FROM ROCKY

A call for a fresh approach to the breakdown threatening the Nation's railroads would seem the most logical thing in the world to expect from a national administration that has talked bravely about Federal responsibilities for helping metropolitan areas and promoting economic growth.

But no such call has come from the White House or the President's official family. Instead, it has come from Governor Rockefeller. He proposes the creation of a Department of Transportation to formulate a national policy for rail, air, water, highways and pipeline carriers. He underscores the need for a coordinated approach to railroad consolidations, acquisitions and mergers.

Governor Rockefeller thus has become the first national political figure of stature to speak out boldly for a recharting of the Government's role to deal effectively with the vast range of interlocking problems plaguing the whole transportation industry.

In taking the lead, Governor Rockefeller has voiced a view that is on all fours—at least in its broad diagnosis if not in specific reme-

dies—with the conclusion of various studies which have deplored the fragmented, narrow-gage approach of the Federal regulatory agencies. In fact, the Hoover Commission 12 long years ago decried the Government's "failure to think, or act, in terms of total transportation requirements." And though its specific recommendation differed somewhat from the Governor's ideas, it pinpointed then what was fundamentally the same problem—that (in the commission's words) of "preoccupation * * * with the regulation of rates and services, and with isolated problems in individual fields of transportation."

Room though there certainly is for debating the details of the Governor's specific proposals, he serves the national interest well in prodding the national administration to come to grips with the railroad crisis—something he has been practicing as well as preaching in New York State.

Goals of the New Frontier: The Federal-Aid Highway System

EXTENSION OF REMARKS
OF

HON. JOHN A. BLATNIK

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 27, 1961

Mr. BLATNIK. Mr. Speaker, Federal aid to highways is one of the most immense public works programs undertaken in the history of this Nation. This leviathan undertaking by the Federal Government is the product of many years of study by the Congress. Perhaps the most vexing problem in the national highway picture today is our failure to impress upon the American people the growing gravity of the crisis in highway transportation. On the basis of considerable tenure as a member of the House Public Works Committee and as chairman of the Special Subcommittee on the Federal-Aid Highway program, I have discovered many misconceptions and misunderstandings about the national highway program.

There, also, seems to be a lack of consciousness of and an absence of urgency over the crucially important economic and social factors involved. The crisis to which I refer became apparent both during and after World War II. Presumably realistic estimates of car and truck registrations and traffic volume were found to be much too conservative. The States moved frantically to provide a modicum of relief, but highway facilities were being swamped as fast as they were provided. The rising toll of traffic deaths, injuries and property damage abetted by increasing vehicle registrations, population increases, and population shifts of necessity became a matter of national concern.

Currently, there are 76 million registered vehicles in the United States, and estimates place registrations in 1975 in the neighborhood of 110 million. It is not only possible, but probable, that a 50-percent increase in traffic volume will occur within the next 50 years.

The mercurial growth in the population of the United States, of course, has been the most significant factor affecting the national highway picture. Our population has increased 18.5 percent since 1950, and projections place our population in the neighborhood of 260 million by 1980, about double the 1940 figure. Leisure time, in addition to our exploding population, makes the need for better highways more important than ever—we have become a travel-conscious Nation.

Another trend generating pressure on our highway system has been the shift from the central cities to suburban areas. Nearly two-thirds of the increase in the population of the United States since 1950 has occurred in the suburbs of metropolitan areas. In the central cities enumerated by the census population increased by only 8 percent as compared to a jump of 47 percent in areas outside of those central cities. This trend is probably the most important demographic and sociological fact of our times. Many experts believe that growth of central cities had completely stopped by 1956.

Because of these factors aggravating our highway problems, drastic measures have been and will continue to be necessary to reduce the frightful toll of deaths and injuries. Highway deaths during the 1950's alone nearly equaled the total of all the American war dead in World Wars I and II and the Korean war. You cannot in any form measure the costs of the millions who were injured during the same period. In 1959 alone, 37,600 persons were killed and 2,870,000 injured on the Nation's highways. The justification for Federal expenditures on highways has long been established.

The basic legislation governing the administration of the Federal-aid program today was adopted in 1956. It provided for the construction of the 41,000-mile national system of interstate and defense highways and specified that the system was to be completed in 1972 and be geared to anticipate the needs of 1975. The Congress also specified that the primary and secondary highways and their urban extensions were not to suffer by reason of the emphasis on the Interstate System, and that the acceleration of construction was to apply with equal force to these projects.

The highway trust fund which supports Federal aid to highways has been beset by dislocations ever since 1956. In 1958, we were faced with a recession, so it became necessary for Congress to vote an increase in the interstate apportionment and an emergency appropriation for primary, secondary, and urban construction. The compounding of financial difficulties during these early years of the accelerated program eventually reached the point where it became apparent that the interstate program could not be completed until at least 1976.

The incoming Kennedy administration, keenly aware of the necessity for getting the interstate program back on the track for completion in 1972, submitted its recommendations for the necessary financial reforms. The President warned that the Federal pay-as-you-go highway program was in peril, and stated:

> Timely completion of the full program authorized in 1956 is essential to national defense, to greater highway safety, to our economy.

The President pointed out that to deny the needed increases for the highway program would postpone completion 5 years beyond the original target date, and voiced strong opposition to either the stretching out or cutting back of the program.

I am pleased that the administration recommendations were substantially adopted in the present session of the 87th Congress. The Federal Aid Highway Act of 1961 revised the original estimated authorization for the 41,000-mile 13-year program by increasing the Federal Government's share from $25 billion to $37 billion. This additional $11.5 billion authorization will make possible completion of the interstate program by 1972 as originally scheduled. The act, in addition, increased the Federal apportionments for primary, secondary, urban programs, from $925 million to $1 billion annually. The incentive bonus for States to enter into agreements for billboard controls was extended for 2 years, also.

It appears that we will now be assured of a sustained level of construction activity that will greatly minimize the peak-and-valley mode of operating that was characteristic of the program the past 5 years. This action will unquestionably be of great help to the States and the entire road-building industry.

It is unfortunate that disclosures of some malpractices tend to overshadow the imperative need for this program. Notwithstanding the ills with which the Federal-aid highway program has been beset, substantial progress has been made. In the first 5 years of the program which ended June 30, 1961, 10,800 miles of the Interstate System were opened to traffic and construction was under way on 4,800 miles. More than $11 billion has been put to work on the interstate program, and almost $11½ billion have been spent or committed for 119,000 miles of primary and secondary highways and their urban components. Contracts involving 46,000 additional miles were under way on June 30 of this year.

It is estimated that the Interstate System when completed will save at least 4,000 lives annually, reduce personal injuries by 150,000 and cuts economic losses by $2.1 billion. Early completion of the interstate highways is also essential to our expanding economy and the mobility of our defense weapons. When completed in 1972, the 41,000 mile National System of Interstate and Defense Highways will be one of the greatest capital assets of our Nation, providing safety, enjoyment, and economies to all the people of our travel-conscious Nation.

Goals of the New Frontier: Water Pollution Control

EXTENSION OF REMARKS
OF
HON. JOHN A. BLATNIK
OF MINNESOTA
IN THE HOUSE OF REPRESENTATIVES
Wednesday, September 27, 1961

Mr. BLATNIK. Mr. Speaker, a mounting crescendo of voices pointed to water as one of our major health and resource problems during the waning years of the last administration. This host of public-minded persons was urging quick implementation of the Federal Water Pollution Control Act of 1956, recognizing that stronger Federal legislation was essential to conserve and develop adequate sources of clean water to supply the mushrooming needs of a burgeoning population. As in the past, predictions of future use had been understated. The situation was becoming critical.

The Congress in 1960 responded to the call for stronger pollution control legislation to encourage and stimulate construction of waste treatment plants by enacting H.R. 3610, my bill, amending Public Law 660. It was vetoed by President Eisenhower who contended that pollution was essentially a local problem and was opposed to Federal grants; the attempt to override the veto failed. Habitual complacency toward the public domain as a modus vivendi still presided over the Federal policymakers.

A change in attitude toward our great natural heritage was dearly needed in the highest councils of our Government. In the past we had not conserved and protected the natural resources with which we were blessed, nor had we replaced or used efficiently those which we utilized. Great virgin forests had been felled and not a seedling planted as a replacement. From the first we used our rivers as sewers, pouring waste into streams as beautiful as the Hudson, the Potomac, the Ohio, and the Mississippi. Not one unpolluted river system was left. National conscience pleaded for the instatement of a sound conservation philosophy as a matter of national policy.

The keynote for a new orientation was set by President Kennedy in his special message on Natural Resources on February 23, 1961. A redefinition of goals and policies, consistent with sound conservation practices finally became a reality. The rationale for the new course was clearly set forth. President Kennedy forewarned that:

> If we fail to chart a proper course of conservation and development—if we fail to use these blessings prudently—we will be in trouble within a short time. * * * Wise investment in a resource program today will return vast dividends tomorrow, and failures to act now may be opportunities lost forever. Our country has been generous with us in this regard—and we cannot now ignore her needs for future development.

President Kennedy emphasized, as I have long maintained, that all citizens have a stake in a sound resources program. Nor, as many have erroneously inferred, were conservationists attempting to arrogate to the Federal Government exclusive responsibility for the development and protection of our natural resources. The President reiterated what conservationists had long advocated—national leadership buttressed by the effective cooperation of State and local governments.

Although the variety of public works is as great as the needs and demands from which they spring, no field is so latent with opportunities for satisfying need and demand while at the same time greatly contributing to our continued growth and prosperity as the field of water resources and control. But, as the President pointed out, our bountiful supply of water is not a "blessing we can regard with complacency." By 1980 experts predict that demand for water will equal the available supply of 600 billion gallons a day. Repeated reuse will then become a necessity. We are faced with an unprecedented population explosion, and an accelerated and changing industrial technology, which together will combine to impose greatly increased demands for water. The challenge is then one of wise conservation and control of our water resources in order to adequately provide for our anticipated needs.

What is true in regard to the quantity aspects of our water supply is of greater import when considering its quality aspects. "Pollution of our country's rivers and streams," warned the President, "has reached alarming proportions." The protection and control of water quality, therefore, constitute the key to effective conservation and control of water resources.

The Federal role in water quality control is most adequately expressed in the provisions of the Federal Water Pollution Control Act. This session of the Congress enacted the legislation which I sponsored to improve and make more effective the Federal water pollution control program.

H.R. 6441, the Federal Water Pollution Control Act Amendments of 1961, was approved by President Kennedy on July 20, 1961, as Public Law 87–88.

The amendments provide for intensified research, augmentation of low flows to control water quality, increased financial assistance to the States to aid them in administering their water pollution control programs, increased financial assistance under improved provisions to municipalities to stimulate construction of waste treatment works, and extension of Federal authority to enforce abatement of pollution to all navigable as well as interstate waters.

Of particular importance are those provisions of the act which deal with grants to assist municipalities in the construction of waste treatment facilities. Wholly lacking in glamor and public appeal, these needed public works too often lose out in the competition for local funds to more attractive projects, such as parks, schools, libraries, et cetera. Federal grants are admittedly a device to stimulate community interest and support in providing these essential facilities.

The 1956 Federal Water Pollution Control Act authorized individual grants in the amount of 30 percent of the estimated reasonable cost of construction or $250,000, whichever was less. Appropriations for this purpose were authorized in the amount of $50 million annually within an aggregate sum of $500 million.

The success achieved by the application of this limited amount of Federal participation is undeniably impressive. In the first 5 years of operations under the 1956 act, grant offers were made for 2,746 projects. The total estimated cost of these projects is $1,292.9 billion and compares favorably indeed with the $225 million of Federal grants funds responsible for spurring this number of projects. This means that each Federal dollar has been matched by almost 5 local dollars. Of the 2,746 projects, 1,580 are completed and in operation and 710 are currently under construction.

All are aware, I am sure, of the sad neglect in the field of waste treatment works construction for more than 50 years. As a result, a backlog of needed projects has been built up which even these impressive figures have hardly touched. The Conference of State Sanitary Engineers reported that as of December 31, 1960, a total of 5,127 projects, including new plants, enlargements, and additions, are needed in communities serving 42 million people. This is the current need and does not take into account the growing needs which will develop as our population increases and as existing plants become obsolete.

Very obviously, the rate of progress we have been making—although markedly improved—has not been sufficient. Effective cognizance was taken of this fact by the new amendments to the act. While retaining the existing 30 percent limitation on individual grants, the previous ceiling of $250,000 has now been raised to $600,000. In line with this individual project ceiling increase and to afford financial assistance to a greater number of communities, the annual appropriation authorization for grants funds is increased from the former $50 million to $80 million for fiscal year 1962, $90 million for 1963, and doubled to $100 million each year for the subsequent 4 years. The objective of these provisions is to stimulate waste treatment works construction to the average level of $600 million annually—the level necessary to deal with the problem.

The spilling over of our cities and towns into the suburbs and the mercurial growth of satellite communities is given recognition by the act's provision which enables two or more communities to join together in constructing a waste treatment facility to serve their mutual needs. Each community is eligibility to receive its own project grant based on its pro rata share of the total estimated reasonable cost of construction subject to an overall limitation of $2,400,000 of grants funds to be awarded to any single multimunicipal project.

To promote the fullest use of appropriated grants funds, the act provides for reallotment of any such funds not obligated by a State within 18 months be-

cause of a lack of projects in that State among States which have a waiting list of projects. Such funds may also be used for making an additional grant for a project for which the need is due in part to Federal institution or construction activity in the community.

These are the act's specific provisions in regard to waste treatment works construction. Substantial impact in this same field is anticipated to result as well from the application of the enforcement authority provided in the act. Federal authority to enforce abatement of pollution now extends to all navigable as well as interstate waters. In 13 instances, where the Federal enforcement procedures have been brought to bear to abate interstate pollution, remedial time schedules have been established involving construction of treatment facilities amounting to $500 million. This figure will undoubtedly rise in direct proportion to the vigor of Federal enforcement activity.

Public Law 87–88 is the statutory basis for launching a concentrated effort to prevent the discharge of untreated or inadequately treated sewage wastes into our waters. Its provisions combine to comprise a public works program of the first magnitude. It was deservedly hailed as the first major conservation measure successfully put forth by the Administration. Its success is vital to the health and welfare of our citizens and to our continued economic growth.

The unrealistic no new starts policy of the past 8 years is happily laid to rest. The budgetary yardstick which dictated this policy, while still importantly considered, no longer predominates over other considerations affecting the wise and orderly development and conservation of water resources. Instead, a strengthened Federal-State-local partnership is being forged to act in the best interests and benefit of all—to secure for ourselves and to preserve for the future the maximum use and enjoyment of Nature's bountiful heritage.

The People of California's First District Express Their Views on Issues Before Congress

EXTENSION OF REMARKS
OF
HON. CLEM MILLER
OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES
Wednesday, September 27, 1961

Mr. CLEM MILLER. Mr. Speaker, in earlier remarks concerning the results of my 1961 questionnaire, I inadvertently failed to report the response to one of the questions. It follows:

Asked, "Should Congress pass further laws aimed at preventing recessions and limiting their effects?" 32 percent checked "yes"; 14 percent, "no"; 30 percent, "no, the less Government interference the better"; 15 percent, "no, present laws are adequate" and 16 percent, "not certain."

Yonkers Comments on Foreign Aid

EXTENSION OF REMARKS
OF
HON. ROBERT R. BARRY
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Wednesday, September 27, 1961

Mr. BARRY. Mr. Speaker, in order to give my colleagues an opportunity to familiarize themselves with the sort of thought prevalent in my district, I would like to insert into the RECORD a column by Sylvia Porter and an editorial, both appearing in the Herald Statesman of Yonkers. Surely the future of mankind is a most serious issue that we must carefully consider:

A BILLION GO TO BED HUNGRY TONIGHT: CAN WE RAISE HAVE-NOTS' STANDARD?

(By Sylvia Porter)

Nearly 1 billion people on our side of the Iron Curtain go to bed hungry every night. While you've heard endless argument about our responsibility to the underfed of the free world, what do executives in the food business think can be done to raise the food standards in the have-not nations? Points on this subject are made by Norton Simon, president of Hunt Foods & Industries, Inc., in this interview.

Question. Can the new, scientific, techniques of America's food industry be applied elsewhere in the world?

Answer. Yes; in the developed countries of Western Europe or Japan. No; not yet in the still developing free nations. While nearly all large U.S. food packers and processors are now exporting packaged foods abroad and most are operating processing plants overseas, most of those operations are in the better developed nations. In the truly underfed, improverished nations the surface has hardly been scratched.

GAP GROWING LARGER

Question. How quickly can the "have" nations lift the food standards of the "have-nots" this side of the Iron Curtain?

Answer. Begin with the fact that the gap between the wealthy and the poor nations of the free world is growing larger, not smaller. The U.S. food industry is making a start in the poor nations. Plants are going into Africa, Venezuela, the Philippines, Brazil, and Colombia. There have been market studies in Singapore and considerable interest in India. But, to date, a full-scale attack on the problem of widespread hunger and malnutrition hasn't taken place.

The underfed nations represent a huge potential market. To make these billion consumers real is the job we face.

Question. How can you manage this tremendous job?

Answer. We'll have to get a trade cycle going. Through the Government, we have been giving aid. The whole idea of foreign aid is controversial, but when you are dealing with a country such as India, where personal income averages 15 cents a day and where potentially there is a market larger than ours in the United States, there's no room for controversy if aid can get a trade cycle going.

These people now have nothing except debt to the village banker. If we can get them to the point where they have the tools and the ability to produce things the free world needs we can trade with them, and we then can begin to raise their food standards quickly.

Question. Are you saying that the U.S. revolution in food processing won't work in the underdeveloped economies until they have achieved industrialization and we must invest in aid and trade?

Answer. Eight out of ten working adults in the underdeveloped nations labor full time to produce their own food, with a bare margin left to take to market. If we want to stay wealthy, and particularly if we want to open markets to nearly a billion new consumers, we must help the hungry countries attain industrialization through an aid-trade cycle.

By forcing savings—literally wringing them out of the population at a terrific cost in human life and misery—the Soviets, and now the Chinese, saved enough of their annual production to move * * * to a modern economy. The underdeveloped nations must choose—they can force savings, Soviet style, or they can get an aid-trade cycle going with us.

If we want the economic fruits of trade with a billion new consumers, we must make a "total" decision that we are going to help build new economies, and one of our basic economic purposes should be to make consumers out of hungry, illiterate, and despondent people.

FEDERAL AID CAN HARM NEEDY NATIONS UNLESS PEOPLE HELP THEMSELVES, TOO

Poverty-stricken nations do not necessarily have to be poor, nor does massive intergovernmental aid insure that they will not remain impoverished.

These were the observations of an international financier as he retired as president of the International Finance Corp. and in his final report shared some of the benefits of his experiences with a gathering of the world's finance ministers.

Robert L. Garner, who served for 9 years as vice president of the International Bank for Reconstruction and Development and 5 years as IFC president, set forth six requirements for a nation seeking to overcome its economic instability:

1. Consistent law and order, "a government that can govern."
2. Reasonably honest and effective public administration.
3. Financial stability, "absence of severe inflation."
4. A sensible plan of development.
5. An honest and effective tax system to raise internal revenue.
6. Avoidance of a feudal type of society, one in which the wealth and power are in the hands of a few.

Mr. Garner pointed out that too great a reliance on foreign aid is insidious and that such aid can become an excuse for failure to develop a nation's resources.

When experience, competence, honesty, and organization are missing, he said, large injections of capital into developing countries can cause more harm than good.

He added an observation which the United States by now should fully recognize as true: "Government to government financial aid cannot be successfully used to gain and hold political advantage for the country supplying the funds."

In urging that governments trying to improve their economic conditions rely on private initiative and private profit motives, the veteran financier gave voice to a philosophy that we sometimes seem to forget.

The great strength and progress of the United States have been built up on the basis of private enterprise and have been snapped only when we have turned to that socialistic paternalism which places the individual's hope for support and security in the hands of government.

Government at home and abroad, of course, must have an eye for the needs of those who cannot help themselves, but it must not destroy the initiative of those who want opportunity rather than aid.

Yet the latter is the course our unilateral aid programs, both domestic and foreign, seem to be following today.

Small Business Aided by Army

EXTENSION OF REMARKS
OF
HON. F. BRADFORD MORSE
OF MASSACHUSETTS
IN THE HOUSE OF REPRESENTATIVES
Wednesday, September 27, 1961

Mr. MORSE. Mr. Speaker, Electro Networks, Inc., in a recent edition of its house organ, paid high tribute to a gentleman well known and well liked on Capitol Hill and Main Street, U.S.A., alike.

I am pleased to insert the following article in the Appendix of the RECORD:

SMALL BUSINESS AIDED BY ARMY

ADVISER JACK W. ASKINS STRESSES HELP, GUIDANCE—ARMY EFFORTS RECOGNIZED IN PRAISE FOR HIS WORK

Numerically, America's small business community comprises 98 percent of all manufacturing enterprises.

Yet effective champions of the growth and solvency of this bedrock strength of our Nation must be numbered, at best, in an inverse percentage ratio.

One such key fighter for small business is a personable, articulate 50-year-old Texan.

He is credited by high-ranking administration military and business leaders with consistently helpful performance on behalf of manufacturers with fewer than 500 employees and not dominant in their fields. At the same time, he is noted for his open-door policy for large as well as small firms interested in Army procurement requirements.

SPEARHEADS ARMY SMALL BUSINESS CONTRACTS

During the fiscal year 1960 he spearheaded Army spending of $1,527,917,000 on a prime contract basis with small business. This represented 31 cents out of each dollar of the $4,910,527,000 expended by the Army. Instructively, he was instrumental in the Army placing 1,747,454 contracts with small business of the 2,221,635 awarded. This was a whopping 79 percent of individual awards placed by the Army.

Askins played a significant role in the Army achieving the same high percentage of awards to small business in fiscal 1959. That year, the Army's Small Business Adviser pointed with pride to the 1,174,160 awards to small business out of a total of 2,199,228 which had been placed with America's business community.

U.S. Senator JOHN SPARKMAN, Democrat of Alabama, militant chairman of the Senate Small Business Committee, has said:

"Jack Askins is a conscientious and dedicated public servant who has worked long and hard in behalf of the small business community."

His House counterpart, Congressman WRIGHT PATMAN, of Texas, who chairs the House Select Committee on Small Business, believes that Askins "works both diligently and effectively to help the small businessman in his dealings with our Army."

Joseph D. Noonan, executive vice president of the Small Business Association of New England, Inc.—representing a group with two decades of work for small business in the New England States—recently endorsed Askins' work:

OUTSTANDING PUBLIC SERVANT

"Jack W. Askins," he wrote, "is an outstanding public servant. Both the Army and small business are fortunate in having a man with his impressive experience and proven abilities in such a key spot."

The Army Small Business Adviser possesses the vital experience and know-how which marked him a "natural" for his appointment.

He has served as advisor since 1952, following a 1-year interim appointment as Assistant Director to the Construction, Mining and Oilfield Equipment Division of the National Production Authority.

Askins, whose modulated voice and idiom suggest his southern Texas birth and upbringing, has gained increasing recognition as an authoritative witness before congressional committees. He skillfully breaks down complex statistics and related data to fundamental terms and analysis. These he often records on multicolored charts for visual presentation. Congressmen have been impressed with the meticulous, detailed rundowns of factual buying data he has compressed for viewing at a glance. He is so well acquainted with his subject, it has never been necessary for him to be primed with a written speech when testifying.

Askins advises the Army in all matters pertaining to small business.

FURTHERS ARMY IMAGE

His direct approach, lack of bureaucratic stuffiness is a natural characteristic. Askins adheres to his policy of being of service at all times. Self-imposed 6- and 7-day workweeks have not been uncommon. He is always seeking ways to further the Army image as a helpful, cooperative, service-oriented organization. He tells you earnestly:

"I never forget my mission is to help small business—and thereby help both the Army and our Nation. I will do anything to keep the small entrepreneur, with a legitimate product or service to sell the Army, from being inundated with redtape, bureaucratic formalities or administrative doubletalk. Whatever can be done to help this man get a one-stop deal will be fostered at this end."

Askins had the "U.S. Army—Small Business Handbook" published in 1959. It is a concise, one-stop treatment of the program, policy, procedures of the Army as it relates to purchasing. Instructively, prior to his advent, there was no manual on Army policy available to the public and business. Today, he has seen to it that numerous graphic texts spell out policies and procedures.

FIVE OVERSEA MISSIONS

Askins, who in World War II as a field grade officer with the Air Engineers and Army Corps of Engineers saw service on five oversea missions, as a civilian, before World War II, supervised the installation of all the drainage structures under the Pan American Highway in Peru, South America.

This occurred during the period following the Nazi blitz in Poland in 1939 and prior to his Army service in 1942. As an engineer, he just naturally fielded the assignment while employed by American Rolling Mill Co. as assistant general manager of the central and South American district of the Armco International Corp. It is this type of experience coupled with 60 months service in uniform during World War II that makes Askins the asset that he is today to the Army.

DYNAMIC PERSONALITY

Initiative, drive, and a dynamic personality assured his professional success. At the outset, Askins visited 128 small-business plants throughout the country. He explained to top management the services he could offer in areas of vital interest to them. He then opened a New York sales engineering and consulting office and established oversea representatives to service his client-firms' needs throughout the world.

Among the companies represented were the American Iron & Machine Works, Unit Rig & Equipment Co., Drilling Equipment Manufacturing Co., Big Four Machine & Supply Co.

This wealth of practical business experience and know-how has resulted in the Army small-business program achieving greater recognition and distinction for the Army. He has effectively fused industry techniques with Army policy. Notably, Askins, who had to create and build his program from a bone-naked foundation strut, has been instrumental in orienting Army procurement philosophy because of his incisive small-business leadership.

RECORD: AWARDS TO SMALL BUSINESS

Since 1942, when he began his career as Army adviser, his vigorous efforts have been responsible for record awards to small business of both prime and subcontracts.

He administers the overall policy and daily operation of 278 small business specialists throughout the country. He provides advice and counsel to all Army procurement personnel. At 60 installations across the continent, Askins sets up and oversees exhibits of items currently required and being purchased. These exhibits display items which are normally bought throughout the buying cycle of the year as well.

He recently directed and coordinated a Department of Defense joint industrial exposition with business concerns at Orlando, Fla. It was easily one of the most impressive, best attended industrial shows ever seen in the southeast. Florida's Gov. Farris Bryant was moved to warmly praise Askins for his outstanding performance in letters directed to his superiors.

This dedicated public servant whose office is in the Pentagon, perhaps has best stated his concern for and work with small business in the concluding remarks of a recent speech before an industrial group:

INDUSTRY IS DEFENSE LIFELINE

"There is an earnest desire and endeavor on our part to bring about the best possible working arrangement between the Army and industry. We are not unmindful that the lifeline of defense of our Nation is from you in industry to the soldier in the field. And small business makes an incalculable contribution to both the strength of the Army and the viability and economic health of our Nation."

He might have added his working credo—which surely helps explain the outstanding contribution he is making to industry and to the Nation as small business adviser to the U.S. Army:

"In World War II—as in every national crisis—small business came to the aid of the United States. It is surely fitting that the United States should now come to the aid of small business."

Let's Listen to Latin America

EXTENSION OF REMARKS
OF
HON. EMILIO Q. DADDARIO
OF CONNECTICUT
IN THE HOUSE OF REPRESENTATIVES
Wednesday, September 27, 1961

Mr. DADDARIO. Mr. Speaker, a friend has recently drawn to my attention an article in the Harvard Business Review relating to programs of aid to underdeveloped nations, with particular reference to our preparation for assistance to Latin America.

I found this a most stimulating article, and one that expresses well the need to understand the people we want to help and the need to learn from them while

we are helping. I should like to summarize for the RECORD some of the major points of this article, "Let's Listen to Latin America," by Charles H. Savage, Jr.

Mr. Savage spent the better part of a year in one of the Latin American nations and was preparing to return to the United States when he was asked how the United States could be of aid to that country. Mr. Savage had talked to men with a wide range of opinions while he was in Latin America—government officials and labor people, clergymen, and Communists, industrialists and factory workers, university professors, and peasants on the land. Based on his notes, his article tries to answer his friend's question, in such terms as to contribute a positive note to American thinking.

Help, in his opinion, requires an understanding of how a recipient nation, as a complex social entity, may be equipped to receive such aid, as well as understanding how the assisting nation may shape its aid most effectively. For, as he warns:

> Helping and being helped are among the more complex human activities, exacting the greatest psychological cost and demanding the most intricate social skill.

He notes instances where concern over nationalism, national dignity, and national sovereignty has been a factor in incidents as well as government decisions in recent months. And he suggests that a Latin proverb, "May the good Lord repay you" can be instructive in explaining attitudes whereby one is likely to regard a gift as something between the giver and his Maker or his motivations, rather than between the giver and the given. Similarly, he suggests that attitudes among the giving may lead to a wish to step in and follow through to see that gifts are effective, rather than a gift being merely the discharge of a desire to be helpful on the part of someone able to give.

It is vitally necessary to understand poverty and its psychology if we are to understand charity as well. Mr. Savage devoted a portion of his article to discussing one instance of poverty among boys wandering the city streets. And he makes a telling point that such poverty exists and has existed until people have tried to inure themselves to it, to overlook it, rather than deal with it.

> Poverty is the poor relation living in the house of the family of American nations that we don't wish to talk about. It makes us uneasy, and it is to the nature of this uneasiness that I wish to address myself.

Mr. Savage believes that "an effective remedy to the problems of such backward nations can spring only from accurate description."

Such description cannot result from introspection or elaboration with those who share the same views or intellectual debate that skirts the necessary action. It must probe the sensitive spots where the disease lies, do it sensibly and intelligently rather than through overstatement and exaggeration. Yet he thinks this is what we are not doing and he asks:

> Are we subject to some reverse obsession on the international cooperation front that is rendering realistic description and diagnosis difficult, and that is producing, consequently, a remedy that falls short of the mark?

He analyzes and quotes people among the young and idealistic with whom he talked. These quotations illustrate the longing for change and the willingness to follow the Communist path. He also illustrates the defensive attitudes of the elders, who often express the frustration of unsolved problems:

> It is also understandable that in mulling over poverty and trying to work through to some position on it—just as generation after generation in the past has tried over and over again to cut through the never completely solved issues of the alleviation of human misery—youth should communicate something of reproach and threat to the older hands—to the teachers, priests, business leaders, parents, politicians, and foreign-aid specialists to whom the stewardship has passed. And perhaps, down deep, the oldsters—they who once had such bright hopes and who, human beings operating in an imperfect world, at least tried—believe that their efforts merit from the youngsters, if not appreciation, at least understanding.

This exchange between the poverty-stricken and the comfortable, between the young and the elders, has led to a breakdown in communications and a frustration of policy. Resistance develops and leads to hostility, "the more hostile and the more silent because they had such love and such high expectations for those that they now face across the chasm of misunderstanding. As unrelieved obsession turns to hysteria, the one faction turns to thoughts of violent solutions to the unrelieved tensions, and the other draws tight at the prospect of possible attack and destruction."

Mr. Savage concludes his diagnosis by pointing out that many emissaries to underdeveloped lands sense these social signals of distress and may be infected by a hopelessness that any form of cooperative action can be developed. But he cautions that this must be counteracted by a willingness to analyze critically what is needed and apply the skills necessary:

> The United States has a great heritage in the management of its internal differences which history may one day cite as our major contribution to our age. We had to develop such skills as a condition of national survival. However, the existence of these skills is sometimes obscured by the waiting list of differences to which they have yet to be addressed.

South America felt no need to develop such skills, and did well under the circumstances. But Latin administration can improve its range of skills, to gain in economic development and to do so within the framework of their own traditions. An outsider who understands the problem can help by providing a new model of administrative flexibility responding to divergent viewpoints, willingness to encourage constructive solutions through effective conversation and ultimately to secure cooperative action. By his comportment, he may teach. In the sections in which Mr. Savage analyzes the oversea administrator, lie some of his most important lessons, and I offer them here, with his conclusions:

BEHAVIOR MODEL

The outsider whose manner and behavior is such that he can practice the skills described is doing more than contributing to the solution of the substantive problems that bring him to those lands. He is providing a new model—where none previously existed—of administrative behavior by which divergent viewpoints may be responded to, effective conversation entered into with purposes other than rebuttal, and cooperative action secured among those able to handle the task. By so doing, he inoffensively invades the sphere of internal politics, sacrosanct up to now but always in the background of every commercial conversation.

By his comportment, the oversea administrator teaches the lesson that to hear out and to reflect understanding and respect for the speaker is not necessarily an affirmation of agreement and support but serves secondary purposes. He paves the way for the emergence of less extreme positions by helping to drain off some small part of the unrelieved tension of the nationals, in the meantime educating himself and improving his capacity to distinguish the rough outlines of the many-faceted social system within which he will temporarily be at work.

But most importantly, in his own small way, the oversea administrator is offering his hosts access to the vast storehouse of national wisdom that we have slowly created out of the range of differences that history has thrown at us for management. He is providing a visible example of a different sort of interpersonal behavior, an approach that his local associates may wish to "try on for size" in their own future interactions.

To behave in this manner calls for a great deal of sophistication and understanding. Such behavior is based, among other things, on the recognition that no one is above emotional involvement and on the willingness to include the factor of this personal involvement in estimates of what is taking place. The fact that these allowances must be made while the administrator is preoccupied with adjusting to a strange setting and with accommodating the normal bureaucratic or organizational pressures to protect the mission and its personnel demands both a special type of maturity and a special type of backup support from the home office. Yet Americans have a tradition of rising to special circumstances, and what I have described seems to be the role demanded of those who will carry our private and governmental assistance programs overseas in the years ahead.

Furthermore, I am convinced that our oversea people are now prepared to move beyond the preoccupation with personal adaptation described in the "culture shock" school of thinking; that is, the primary focus on the unsettling sensation, even mild panic, that results when the individual—set down in a different culture—finds that the behaviors which previously gained one set of responses no longer work as before, or even beget a completely different set of responses. I believe the passage of time has largely laid this ghost to rest. If I am wrong, let me point to the therapeutic values inherent in becoming absorbed with assessing the way the foreign society has achieved some resolution of the problems that beset it.

Probably the greatest demands in an assistance program are those made of the home office—be it Washington, D.C., Wall Street, or one of our industrial centers—for support and toleration of a wider and sometimes frankly exploratory range of behaviors on the part of its overseas personnel. To provide lessons on the management of differences, the oversea administrator must himself come from an atmosphere in which differences are effectively managed, and there must be someone at home with whom he can

candidly share his burden of somewhat strange impressions and reactions. His assignment must be a flexible and supportive one if, of itself, it is not to interfere with the accomplishment of his mission.

For somewhat similar reasons I would urge that we not send members of the President's Peace Corps abroad with an obsession to be helpful. I am sure that they will be more helpful in the end if they set out with the more relaxed intent of looking and listening, studying and learning, and being helped.

CONCLUSION

What I am talking about is a new dimension of technical assistance which in a sense is preliminary and basic to the foreign aid we are now providing. Its essence is administrative skill in the management of differences—an area in which we have more experience and knowledge than we realize. Its execution resides in the transmissions of these skills to Latin administrators (fellow Americans, too), in a setting of genuine respect which cannot fail to come about if, using our powers of discrimination and concentration, we tune in on the problems to which these people address themselves and marvel at goals which they have set and the accomplishments that they have already achieved.

No man so fired the imagination and commitment of many Latin nations as did Simon Bolivar. After Bolivar had committed his personal fortune to the causes he struggled for, he concluded that there was another dimension of aid that he could offer his countrymen. His statement might well serve as a rallying cry for those who are interested in the development of these lands:

"I wish I had a material fortune to give to everyone of my countrymen; but I have nothing. I have nothing more than a heart with which to love them, and a sword with which to defend them."

Wooing the Japanese Wheat Market

EXTENSION OF REMARKS

OF

HON. JOHN A. CARROLL

OF COLORADO

IN THE SENATE OF THE UNITED STATES

Wednesday, September 27, 1961

Mr. CARROLL. Mr. President, I ask unanimous consent, to include in the Appendix of the RECORD an article published in the Co-op Grain Quarterly, summer 1961, entitled "Wooing the Japanese Wheat Market."

This article is of great interest not only because it reveals the prospect of a future quality grain market for our hard wheat in Japan, but also because of the decisive role played by the Colorado Wheat Administrative Committee and the Farmers Union Terminal Elevator, Inc., of Denver, Colo., in the first trial wheat shipment recently sent to Japan.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

WOOING THE JAPANESE WHEAT MARKET

American co-op grain producers and merchandisers have proved they can meet and even exceed the most rigid quality and purity specifications imposed by foreign buyers.

This became apaprent last December during the series of test shipments of wheat to Japan, a respectable bit of business which it is hoped has opened new doorways to foreign markets. For this initial shipment of Great Plains wheat to Japan, the buyers specified that the wheat be of a certain protein content and that the grade certificates indicate the "cleanout"—the amount of shrunken and broken kernels and foreign materials. The special cleanout requirements provided for a maximum of 12 percent moisture, maximum 0.5 percent combined foreign material and dockage, maximum 0.5 percent wheat of other classes, and maximum 1.5 percent shrunken and broken kernels. While sedimentation values, which give an indication of baking quality, were not a contract provision, officials supervising the American end of the shipment requested a minimum of 45 for the 13 percent protein wheat, 48 for the 13.5 percent, and 51 for the 14 percent. Selected stocks of wheat were used in order to meet this request.

One of the important American suppliers participating in the Japanese test shipment was Farmers Union Terminal Elevator, Inc., of Denver, Colo., the regional marketing cooperative whose affiliates cover eastern Colorado, western Nebraska, and northwestern Kansas. As their part of the Japanese contract, this regional shipped 3,000 tons of specification wheat. Some of the problems involved are best described in the words of A. F. Gamble, the regional's manager:

"When the specifications for this first trial wheat shipment to Japan were announced," Gamble says, "we shared the misgivings of many in the grain trade in obligating ourselves on a contract basis to ship a quantity of such wheat within the short time schedule allowed. On the other hand, we felt very keenly an obligation to our members to exert our very best efforts in assisting in the trial shipment if at all possible.

"The biggest problem was the specification: Maximum 1.5 percent Shrunken and Broken. U.S. official grain standards allow 5 percent Shrunken and Broken in No. 1 wheat. Also, while sedimentation values were not a contract requirement, the Great Plains Wheat people (the Garden City, Kans., growers' association) requested minimum sedimentations which would require careful selection of wheat from good milling quality stocks.

"After having cleanout and sedimentation tests run on several lots of wheat and making trial cleaning runs over screens from our seed plant remodeled to fit the screen cleaner in our elevator, we bid on supplying the wheat and were awarded the contract. Ten of the local cooperative elevators in eastern and southeastern Colorado are located on railroads participating in the special export freight rate and they all pitched in to supply about half of the wheat, the remainder coming from our terminal at Denver. About one-third of the cars of wheat shipped from local co-ops met the cleanout specifications without being cleaned when they were graded at Denver. The other two-thirds were unloaded and cleaned at our Denver elevator. Through close coordination and extra efforts by the local co-ops and our elevator crew, the shipment was completed according to specification and on schedule.

"Colorado wheat farmers can be proud that through their local and regional co-ops they were in a position to, and did, fulfill this vital part in the task of opening up a market for United States wheat in Japan."

A complex story of human need, and of technocracy's response to that need, is contained in the story of the Japanese trial wheat shipments.

A look at population growth charts is never a comforting experience for the Japanese Government. An adequate supply of food is—and likely always will be—one of Japan's central problems.

Coming out of World War II, the Japanese Government made it a matter of policy to improve the health of the Japanese people through nutrition education.

To reduce its dependence on traditional foods and to tap new sources of food supplies, the Japanese Central Government embarked on a program to encourage consumption of wheat foods in at least one meal per day. This promised to be a formidable task since age-old rice and fish diets cannot be altered speedily.

Sensing that Japan offered a steady market for their wheat products, Pacific Northwest wheatgrowers took increasing interest in the Japanese developments.

Much of the Pacific Northwest's production is geared to Japanese needs since the area turns out about 100 million bushels of Soft White wheat, which makes an excellent flour for noodles, crackers, cakes, cookies, and other pastry items.

Oregon growers went to their legislature to seek a wheat commission. Their efforts were successful in 1947, and the results was legislation providing for a half-cent levy on each bushel of wheat paid by the grower as it moved into the marketplace.

Oregon growers began investigating the market potentials in Japan as well as in other Asian countries. Then came Public Law 480, the Agricultural Trade Development and Assistance Act of 1954.

Oregon growers immediately laid plans to open an office in Tokyo to assist the Japanese Government in bringing about a massive change in its people's food habits. Oregon was joined later by Washington and Idaho groups with the resultant organization of Western Wheat Associates. Also, Great Plains Wheat, Inc., representing Great Plains growers, joined in the maintenance of the Tokyo office in 1960.

First cooperative project was the school lunch program, a logical place since it offered the priceless opportunity of acquainting a new generation with wheat foods.

The program produced immediate results, until today the majority of Japan's schools serve a nutritious lunch—including a 6-ounce wheat roll—to more than 18 million schoolchildren.

A baker's training school was introduced in which 160 rural bakers from all of Japan's prefectures took part in a 3-month training program. Upon completion of their training class, these bakers returned to their villages and conducted classes for other local bakers.

Kitchen demonstration buses staffed by trained home economists were another method devised to reach Japan's rural villages. Cooperating with other groups, the wheatgrowers secured eight buses and sent them into rural areas. Each bus averaged about 640 miles a month, and demonstrations emphasized a balanced diet featuring wheat foods. Four more buses were added to the program 2 years later.

All of these efforts have produced results. In prewar days, the Japanese consumed an average of 300 pounds of rice and 30 pounds of wheat. Today, the per capita consumption of rice has dropped to 264 pounds while wheat consumption has increased 300 percent to 90 pounds per person.

Wheat promotion efforts in Japan entered a second phase in 1959. The intense interest which was devoted to nutrition in Japan brought prospects of increased consumption of wheat. There was little doubt that White wheat will continue to play an important role, but indications pointed to an upturn in consumption of hard wheats, with the added expectation of a good market for Soft White wheat.

Watching the success of the Pacific Northwest, Great Plains wheat growers formed a regional market development association, Great Plains Wheat, Inc., in 1959. Initial supporters of the regional organization were the Kansas Wheat Commission, the Kansas Association of Wheat Growers, the Nebraska Wheat Commission, the Nebraska Wheat Growers Association, and the Colorado Wheat

Administrative Committee. North Dakota Wheat Commission joined in 1960.

Officials of Great Plains Wheat, Inc., saw Japan as a quality dollar market for the region's hard wheats.

A U.S. wheat mission left for Japan in December 1959. The mission task was to convince the Japanese of their importance to U.S. wheat export trade and to study the competitive factors.

The mission found that Japan was consuming wheat at the rate of 3.6 million metric tons a year of which 1.3 millions tons were produced domestically. While the United States was considered a prime source of soft white wheats, it was at the same time regarded as a residual supplier of Hard Red wheats

The mission pointed to a United States-Japan trade balance which amounted to $1.4 billion in Japan's favor. The United States was pictured as Japan's best customer in international trade—a strong point in the trade team's argument to convince Government and industry officials of the desirability of increasing imports of U.S. wheat.

Continued growth in needs of hard wheats was apparent, and the mission recommended increased efforts to market Great Plains hard wheat in Japan.

Some of the most telling arguments came from Edward Seeborg, Foreign Agricultural Service's able cereal technologist, who went to Japan in the spring of 1960.

Seeborg discovered that Japanese millers and bakers had very little knowledge of U.S. Hard Red wheats and their specific qualities. Furthermore, they had experience only with relatively low-protein, weak-gluten type U.S. Hard Red wheats. The rapid increase in the mechanization of the Japanese baking industry indicated a rising demand for better and more uniform flour quality—a chronic problem among bakers.

Working with Japanese Food Agency and industry officials, Seeborg set up a series of tests with Great Plains hard wheat in various mill mixes. He convinced the officials that there were no major technical obstacles in modifying their methods to utilize quality hard wheats from the Great Plains of the United States. And, he pointed out that the naturally low moisture content of U.S. hard wheats added up to a considerable bonus value.

Mr. Seeborg's consultations did much to clear up misconceptions—and even prejudices—concerning U.S. wheat. He also convinced Japanese officials that the purchase of top-quality wheat from the United States is possible, provided the buyer has a clear and precise specification for any additional quality requirements not served by the U.S. grain grades.

Mr. Seeborg then recommended that the Japanese purchase a commercial size trial shipment so that they could more properly evaluate the milling and baking properties of Great Plains hard wheats.

At this point, the grower-supported, grower-financed Great Plains wheat organization took on the massive chore of removing the obstacles.

The first, most visible barrier was a natural one—the Rocky Mountains. The Great Plains area is one of the world's great agricultural empires but because of its distance to blue water, it is almost entirely dependent on rail transportation. And because of the mountain barrier rising on its west boundary, there has been a tendency to regard the Rocky Mountains as a dam which shuts off the flow of wheat to the export trade on the west coast. A breakthrough was needed.

While a number of railroads connect the Great Plains with the west coast, freight rates were prohibitively high, thus effectively preventing Great Plains wheat from moving into the Pacific export trade from the west coast.

From the start, the Japanese Government made it clear that it was interested in expanding its dependable sources of high-quality, Hard Red wheats. It had depended almost solely on Canada for wheat of this quality, but indicated that it wanted to extend its sources of supply if it could obtain the supplies which would be competitive with Canadian Manitobas both in quality and price.

The Japanese, too, indicated that they would much prefer to take deliveries at west coast ports which their ships normally visit to deliver Japanese goods.

Acting on this information, the Wheat Producers Transportation Committee, representing wheat producer groups, went before the Transcontinental Freight Bureau.

After the hearings, individual members of the Transcontinental Freight Bureau filed independently for a reduced rate for Great Plains hard wheats moving to the west coast export trade. The reduction to 81 cents per hundred was for a period of 1 year. (The rate later went to 82 cents as a result of a general rate increase.)

The U.S. Department of Agriculture then followed with a special export subsidy of 68 cents per bushel for Hard Red Winter wheat shipments from the west coast. This was a temporary rate designed to cover a trial shipment to Japan.

The way was clear for the trial shipment. Mitsui & Co., a Japanese firm, filled the tender for the Japanese Food Agency. Half of the 6,000-ton trial shipment was to be from Commodity Credit Corporation stocks on the west coast; the other half was to be gathered from free supplies directly in the Great Plains region, according to rigid protein and cleanout specifications. The wheat, averaging between 13 and 14 percent protein content, was designed to represent the quality wheat which Great Plains wheat-growers were capable of producing.

After the trial shipment reached Japan for the rigorous series of tests by the Japanese Food Agency, Seeborg again was on hand to observe and to lend technical assistance. He worked with millers and bakers and showed them how to obtain the best results from Great Plains hard wheat, used by itself and in blends with Canadian Manitoba wheat.

The Japanese Food Agency agreed that Great Plains hard wheats of 13.5 percent could meet its import requirements.

Sedimentation readings are not being used at present, although there is a good chance that such sedimentation values will become part of contract specifications. It will be an excellent way to assure quality control.

James Thornton, manager of the Colorado Wheat Administrative Committee, represented the Great Plains organization as the Japanese Food Agency drew up its conclusions. He called the tests the most thorough and meticulous study that any country has made on its wheat import needs. "We hope that the Japanese will work toward the goal of including sedimentation readings in contract provisions," he added.

Thornton also reported that the Japanese will not specify cleanout levels, but they are expected to check this factor closely when shipments arrive at home ports.

Premiums for tight cleanout specifications are prohibitive, Thornton said. In addition, Japanese mills have facilities for handling reasonable amounts of cleanout, which can be channeled into a vast feed grains market.

All of the problems of establishing a U.S. market in Japan on a stable, continuing basis are not solved. First of these problems is getting a continuation—and possible further reduction—of freight rates for export wheat moving to the west coast. And export subsidies will be necessary to insure that the U.S. wheat is priced competitively with wheat from other exporting countries.

Another problem which is of immediate concern to producers is the high-quality level demanded by the Japanese in order to justify the replacement of Manitoba wheat. This requires a big increase in the production of strong-gluten varieties in place of the mellow-gluten varieties such as Pawnee and Wichita. "We cannot expect to supply large quantities of wheat above 13 percent protein and above a sedimentation value of 45 unless we produce such quality in amounts over and above domestic needs," Seeborg said.

Provided that these terms can be met, the flow of wheat to the Japanese market is likely to start out with 8 to 10 million bushels a year and gradually build up to 20 million bushels, or more, a year.

At stake is a huge cash business in Japan. Equally important is the reputation which the United States can set in meeting the quality needs of importing countries all over the world.

The Federal Role in Education

EXTENSION OF REMARKS
OF
HON. ROBERT R. BARRY
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 27, 1961

Mr. BARRY. Mr. Speaker, never before in our history has there been so widespread appreciation as there is today of the importance of education in our national life. Today, there is a general realization that the future of our Nation and our Western civilization directly depends upon the quality and availability of educational opportunity. There is the great awakening to the realization that our national survival—and the survival of free institutions everywhere on earth—depends upon the product of schools and colleges in the free world.

When considered in this context, it is enormously important that every one of us—and particularly those who formulate education policy in our State legislatures and in the Congress—are directed toward strengthening and improving the American system of education.

In reaching this objective, I believe certain principles to be sound and progressive and summarize them as follows:

First. The basic responsibility for providing education rests with the State government, communities, and private groups; and Federal control or direction of education must be avoided at all costs.

Second. There is a continuing but increasingly profound national interest in education which makes it appropriate for the Federal Government to assist in strengthening and improving education.

Third. Federal programs, therefore, must be designed to assist States and communities and public and private institutions of higher education to overcome educational needs which must, in the national interest, be fulfilled, but which oftentimes State, local, and private action alone is insufficient to meet.

Fourth. The role of the Federal Government, therefore, is to assist States and communities and educational institutions to meet educational needs without weakening State, local, and private responsibility and without substituting Federal funds for traditional sources of

educational revenue. We should make dead certain that Federal aid stimulates additional educational effort.

I. THE EISENHOWER POLICY

During the Eisenhower administration Federal policies based upon these principles have worked remarkably well to improve education. Inherent in these principles is the assumption that once our citizens understand the needs of education they will make the necessary decisions to supply those needs. That is why the 83d Congress in 1954 approved Mr. Eisenhower's request which launched a national program of State education conferences that led to a White House conference in December of 1955. During this year far-reaching effort—in which all 48 States and 4 territories took part—500,000 citizens met in over 4,000 State and local education conferences to discuss school needs and to make recommendations for action at every level to meet those needs. This culminated in the White House conference at which 2,000 educators and interested laymen from every State and territory met to pool their accumulated knowledge and to make recommendations.

One of the principal recommendations of the White House conference was that the Federal Government undertake a program of temporary assistance to States and local school districts to help overcome the shortage of public school facilities which had accumulated as a result of 20 years of depression and war followed by a huge upsurge in the birth rate. It was agreed that the States could meet their current needs for additional facilities if they could once overcome this shortage. Otherwise, it was apparent that a whole generation of schoolchildren would suffer the adverse effects of overcrowded classrooms, double shifts, and antiquated facilities. Accordingly, the President—Eisenhower—recommended that the Congress authorize such Federal assistance over a period of 4 or 5 years. He made this recommendation and submitted his program to the Congress in 1955, 1956, 1957, 1959, and 1960. During all these years the Democrat-controlled Congress delayed this action. Year after year the Democrats turned down the President's proposals to aid education.

Had the President's recommendations been accepted in 1956 or 1957, it would have meant that the classroom shortage—142,000 elementary and secondary public school classrooms in 1960—would have been eliminated by now.

In 1956, Mr. Eisenhower appointed a committee to study the needs of education beyond the high school level. From the work of this committee—headed by a distinguished citizen of New York, Devereux C. Josephs—and out of the continuing studies of the Department of Health, Education, and Welfare, there was developed the recommendations that the President—set forth in a special message to Congress—which led to the enactment of the National Defense Education Act of 1958. This act authorized a variety of interrelated programs designed to assist States, communities, and institutions of higher learning to strengthen and improve education in ways important to the national security. The National Defense Act of 1958 was designed with these specific objectives in mind:

First. Encourage able students to go to college and remain in college by making financial assistance available to those who need it, thus lessening the appalling loss of talent caused by able students dropping out of academic work after high school graduation. Between the spring of 1959 and June 30, 1961, 230,000 young men and women received substantial loans under the student loan program of the NDEA. In addition, 4,000 3-year graduate fellowships were financed under the terms of the NDEA.

Second. Improve counseling and guidance services available to schoolchildren and to extend modern testing techniques so that we can identify able students and encourage them to complete their education.

Third. Improve instruction—and facilities and equipment—in modern foreign languages, science, and mathematics in our elementary and secondary schools; and to increase our knowledge of vital but little-taught foreign languages at the college level.

Fourth. Expand programs of graduate education in all fields in order that we may have an adequate number of fully qualified college teachers.

Fifth. Stimulate additional research in the educational use of modern techniques of communication.

Sixth. Assist in the development of area vocational schools within States devoted to the training of technical and scientific personnel at a subprofessional level.

Seventh. Expand the science information services of the National Science Foundation.

Eighth. Improve State educational statistics services.

These programs are helping educators and others to do a better job in meeting pressing educational needs. They are proving extremely successful and worthwhile in their fourth year of operation. The National Defense Education Act embodies and exemplifies the Republican philosophy of helping education to do its vital job without Federal control, and without Federal invasion of State, local and private responsibility. The House in this, the 87th Congress, wisely extended the existing provisions of the 1958 act for another 2 years.

What else has the Federal Government done in education under a Republican administration? Let us look at a few representative items:

First. Under an act of the 83d Congress—the Cooperative Research Act—the U.S. Office of Education spent over $3 million in 1960 to finance research in basic problems in education; in learning, in effective teaching techniques, in the education of superior and retarded students, and other basic professional education problems.

Second. The vital educational programs of the National Science Foundation—fellowships and science teacher institutes—have been enormously expanded. Federal expenditures for these purposes were less than $3 million annually in 1953 to over $60 million in 1960.

Third. The budget of the U.S. Office of Education has been increased from less than $4 million annually to over $12 million in 1960, and the work of that office has been greatly strengthened.

Fourth. Overall, Federal expenditures in support of education at all levels—exclusive of expenditures for veterans' education and training which naturally became less in the last few years—have been substantially increased. For example, in 1950–51 the Federal Government spent about $800 million for programs in support of education, exclusive of the GI bill costs. By 1956–57, these expenditures had increased to $1.2 billion, excluding payments to veterans and, Federal expenditures continue to rise.

In 1960 Mr. Eisenhower recommended a school construction program under which the Federal Government would annually pay one-half the principal and interest coming due on $3 billion of school bonds issued by local school districts that need schools and need financial help to build them. The States would pay the other half of the costs. These Federal payments would stretch over the 20- to 30-year life of the school bonds, but would enable the districts to build the schools within a 5-year period in which the Federal-State commitments would be made. This proposal was rejected by the Democrat-controlled 86th Congress despite its obvious merit.

Another of Mr. Eisenhower's recommendations which did not receive enthusiastic support was one designed to assist institutions of higher learning to build the dormitory and classroom and other facilities they must have to accommodate the virtual tidal wave of college enrollments during the next few years. At present, Federal assistance is limited to low-interest loans for dormitory construction only—college housing loan program—made available under the Housing Act. The proposal sponsored an outright Federal grant of 25 percent of the cost of construction of all types of college faciilties. None of these programs or proposals would put the Federal Government in the position of taking over responsibility for financing education. They are designed to help and encourage State and local governmental and private agencies to do this job—as they have traditionally done it.

II. THE KENNEDY POLICY

How does the Kennedy approach differ from the Eisenhower policies in education? Basically, they differ in this way: The Kennedy program would commit the Federal Government to paying a substantial and permanent share of the cost of education in every State—regardless of whether the State itself is meeting educational obligations.

This is not in the best interest of education for several reasons:

First. It is completely unreasonable to believe the the Federal Government would undertake this financial responsibility on a permanent basis without also, sooner or later, assuming an equal re-

sponsibility for the administration, control and direction of education.

Second. It would weaken the basic support upon which our public schools must depend—the financial support of local and State government. Any such massive and permanent Federal intervention in education would effectively shift the financial responsibility from local and State sources. This could not help but impede efforts and initiative to make the necessary decisions on a State and local level to adequately support education. Even worse—the real strength of our system of education is in the interest and understanding of citizens at a local level which results in their resolving to take the necessary steps to have good schools.

Mr. Kennedy has cited classroom shortage as a major issue in proposing his aid to education program. A glance at U.S. Office of Education figures reveal a reduction in classroom shortage from 370,000 to 142,000 between 1954 and 1960 without benefit of a Federal aid program. In addition, the population projections of the Census Bureau indicate that the peak of educational needs in terms of population growth has already been reached, and that this ratio will decline during the next decade. In proportion to our population growth, attendance at public elementary and secondary schools has been decreasing, while college school attendance has been increasing.

The President's program also provides an opening wedge for Federal control over teachers' salaries. This, despite the fact that during the past 30 years teachers' salaries rose by 106 percent as compared to 91 percent for all persons working for wages and salaries and only 73 percent for government civilian employees. It also must be recognized that a large proportion of our public school teachers are women and all surveys on the subject show that women teachers average higher earnings than other women college graduates or professional workers.

Our public schools have increased their teaching staff proportionately faster than enrollment and the number of pupils per teacher has been consistently reduced. Since 1900 the number of public school pupils rose 140 percent, the number of teachers 250 percent and the pupil-teacher ratio was reduced by 11.2—from 35.6 pupils per teacher to 24.4 for 1960–61. If the percentage of college students seeking a teaching career merely remains stable over the next decade, the number of newly graduated teachers will almost double. Pupil enrollment, on the other hand, will increase far less—20 percent as compared with a 46-percent rise during the last decade.

The President claims that his proposal is designed to give aid to those who need it most. The facts of the matter are quite to the contrary.

Out of 45 States that replied to a questionnaire dispatched by the Office of Education in 1959, 15 States reported having districts, which although needing additional classrooms had reached their borrowing limits and had no access to other funds. There were 237 such districts, most of them small, out of a national total of over 40,000 districts—a showing that only one-half of 1 percent of all the school districts in the Nation, legally lacked financial means to build needed schools.

In the few school districts where classrooms were needed and where the districts were borrowed up with no access to State or other funds to build them, there is sometimes a mere appearance of having reached a legal tax or debt limit by assessing property at a fraction of traditional value. Most legal restrictions on taxes and public debt were imposed by the people themselves or by their elected representatives, and can be amended or repealed by the same process.

It is interesting to note at this point, that the percentage of bond issues approved in public school bond issue elections reached a record high of 82 percent in 1960 as compared to 61 percent just the year before. During January, 1961, $157 million of school bond issues out of $170 million were favorably voted upon—92 percent. Annual new educational construction has almost tripled since 1950.

Under the Kennedy proposal, high income States will pay the largest share of the cost of his program and receive the smallest allocations despite the fact that they represent the greatest increase in school enrollment. On the other hand the low-income States that will contribute least to financing the program and receive far larger sums in their allocations—have had the smallest growth in pupil enrollment.

For example, our own State of New York, according to the Office of Education's 1960 survey, has a net schoolroom need of about 10,200. Texas requires 809 new schoolrooms. During the 3-year initial program under the administration's bill, New York State, although paying far more than Texas in financing the program, will receive considerably less in allocation although its classroom needs are 12 times as great.

New Yorkers would pay $312 million in Federal taxes to get $116 million in Federal aid. New York State would suffer a net loss of $196 million in 3 years.

III. SUBSTITUTE FOR KENNEDY PROPOSAL

A far more attractive and equitable means of aiding education has been thought out, and is gaining congressional as well as popular support, including 70 percent of the people polled in the 27th Congressional District of New York. This proposal and variations thereof has been offered as a substitute to the Kennedy-Ribicoff measure which met with overwhelming opposition in the 1st session of the 87th Congress.

Every U.S. citizen who owns real estate pays a real property tax to his local community government—a substantial part of which is used to meet local elementary and secondary school needs. The substitute proposal provides that every taxpayer who pays a school tax on his real property or as a part of his real-estate tax shall be permitted to subtract from the Federal income tax which he owes, the full amount of such school property tax, or such proportion of it as will result in a total additional tax benefit to these taxpayers of between $3 billion and $4 billion.

Under the present Federal income-tax law, State and local school taxes are deductible from gross income but the amount actually saved by the taxpayer depends on his Federal income tax bracket. For example, a taxpayer who had paid $200 in school taxes as part of his local real property tax on his home, and is in the 20-percent Federal income tax bracket, realizes a saving of $40. The new proposal would retain this present practice but in addition would permit the taxpayer to take a $100 credit against what he owes Uncle Sam, that is, against his net Federal income tax. Hence, instead of a saving of $40, the homeowner under this proposal would save $140 of the $200 he paid in school taxes on his home. Of course, if the taxpayer's school tax were less than $100 he would be permitted to save in total no more than the actual amount of his school tax. The tax credit would be available to real property-school taxpayers whether they itemize their Federal income tax returns or take the standard deduction.

The advantages of this approach are overwhelming:

First. The tax benefits provided would go directly to approximately 40 million taxpayers, including about 34 million homeowners, who with their families constitute almost 90 percent of our population.

Second. With the Federal Government completely excluded from the program, there would be no danger of Federal control over education. Depending on State law, each community itself, or the State, would be the final judge of how much more it would like to spend on its educational needs than it is currently spending.

Third. The funds made available to the taxpayers are greater than the sums contemplated under any of the other Federal aid to education measures which are seriously being considered; they would be even greater than the sums recently recommended by President Kennedy's task force headed by President Hovde, of Purdue University.

Fourth. Because of the complete exclusion of the Federal Government, there would be no expanded bureaucracy, no Federal administrative costs, and every dollar of tax money thus made available would purchase a full dollar's worth of school aid if the community decided to expand its expenditures for education.

Fifth. Inasmuch as the tax resources of every State and locality would be substantially increased under this proposal, each would have ample funds to provide for its own school needs as it chooses, for who knows better what these needs are than the citizens of the States and localities themselves.

Sixth. The so-called richer States would not be required to help finance the school needs of the allegedly poorer States, for under this proposal every State would have sufficient funds to meet its school needs out of its own resources. Rich State A would not be required to pay to the Federal Government in taxes twice or three times as much as it gets back in Federal school aid while poor

State B was receiving back in Federal aid two or three times the amount of tax money it paid to the Federal Government as its share of financing the Federal school aid program.

Seventh. Under other proposed Federal school aid measures, those States that have fully met their school needs would not, if given a free choice, expand their school facilities during the next few years, would nevertheless be compelled to pay their share in Federal taxes to finance the program. The only way these States could recover any of the money thus extracted from them under these various proposals would be to accept the Federal grants and use them to expand their school facilities. The result would be the highly uneconomic and wasteful extension of school facilities in many areas where such extension is unnecessary and where other more urgent needs exist and must perforce remain unsatisfied. Under this proposal, the use made of their money is not dictated to the taxpayer by the bureaucrats in Washington—it is determined by the taxpayers themselves, that is, by the parent, the citizen, the local school board, and the community of the State.

Eighth. Any objection to this proposal based on the assertion that it would bite into the Federal Treasury is equally applicable to any of the other measures presently under consideration. This proposal would lead to a good look at the Federal budget and the discovery of many items of less importance, or even of no importance, which could be readily eliminated with no ill effects on the public welfare.

Ninth. If unemployment does not decrease and business continues to falter, this proposal will provide the necessary tax relief which some of the proponents of expanded Federal aid programs assert to be necessary to stimulate the economy.

Tenth. The preemption of State and local tax resources by the Federal Government would be diminished, and thus an important step would be taken in contracting big Central Government and strengthening State and local government.

In order to encourage a closer relationship between school district leaders and parents, and at the same time correct a grave inequity in the postal rate structure, I introduced a bill (H.R. 4975) to grant second-class mailing privileges to elementary and secondary schools. Under present law religious organizations, fraternal orders, many colleges and universities enjoy second-class mailing privileges, but our public school system does not.

I am pleased to record at this point that H.R. 4975, having been endorsed by the Post Office Department, was favorably reported from the House Post Office and Civil Service Committee during the 1st session of the 87th Congress. On August 21, 1961, the measure passed the House and was subsequently referred to the Senate Post Office and Civil Service Committee. It is anticipated that the bill will receive the same enthusiastic support in the Senate as it did in the House, and will become public law before the 87th Congress adjourns in 1962.

To meet the crisis which is occurring on the higher education level, I have used a similar tax credit approach in my bill H.R. 5589, which is pending before the House Ways and Means Committee. H.R. 5589 allows a tax credit for income spent on education by any taxpayer either for his own tuition or for anyone he may wish to help educate. To keep it equitable the rate would be uniform for all at the lowest Federal income tax rate of 20 percent. The person in the lower tax brackets would obtain the same tax benefits as persons in all other brackets. It would only apply for tuition up to $1,200 a year, and would be applicable to all recognized educational institutions.

Money now spent on other less essential things would be encouraged to be spent in this vital field of the education of our people, and would assist many of our young people who are now prevented from going to college because their parents cannot afford it. The average cost of college education is $1,550 per year for each student. Among middle-income families, 80 percent hope to send their children to college but only half of these families ever do. With my proposed moderate tax incentive assistance plan many more families in the middle-income bracket will channel the money they now spend on less important things to the education of their children or themselves. Federal tax revenue saved in this legislation would be directly funneled into education and would create a 4-to-1 Federal incentive program. In other words, for every dollar the Government gave up in tax receipts $4 would be contributed by the people privately and voluntarily resulting in much greater expenditure by parents for better education of their children which otherwise would not be made. The effect of this would be to increase private investment by our people in the future of the country. A nobler use for our national income is difficult to conceive. Moreover, this legislation would impartially broaden the educational base among all accredited schools of our Nation without any danger of Federal controls.

Certainly an incentive to educate our people is as important or more important than an incentive to produce barrels of oil or shoe machinery or to entertain prospective business clients at nightclubs. Should there be a tax incentive for expense accounts but none to educate our children? This is precisely the situation under the present tax laws. I say it should be changed—and now.

This substitute program should obviate the necessity of Federal aid becoming a constitutional issue which could divide the Nation.

Real Tax Reform

EXTENSION OF REMARKS
OF
HON. STEVEN B. DEROUNIAN
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Wednesday, September 27, 1961

Mr. DEROUNIAN. Mr. Speaker, the following article by Donald I. Rogers, in a recent edition of the New York Herald Tribune makes some real sense. If this administration is truly interested in expanding the private enterprise system—and there is not much evidence of that yet—then Mr. Rogers' article could pave the way for not only increasing our gross national product, but also reducing unemployment.

REAL TAX REFORM
(By Donald I. Rogers)

Representative WILBUR MILLS, chairman of the House Ways and Means Committee, has warned Congressmen that one of the first items of business after Congress reconvenes in January will be consideration of a new tax bill. Yet, just before he went to the hospital, Speaker SAM RAYBURN declared that there can be no tax reductions next year and, in fact, because of the cost of the cold war, taxes may be increased.

Mr. SAM is right as far as he goes, though in truth the cold war is responsible for a long, slow rise in military spending, while the domestic programs, more political than essential, have occasioned the swift, steep rise that may cause taxes to be raised.

The administration likes to deny this, but in recent years (dating back to the previous administration) the budget has increased by almost three dollars of domestic spending for each new dollar of defense spending.

So why consider a new tax bill? Every tax bill merely implements the preceding one, though for practical political reasons the revisions sometimes grant relief to one little segment of the population, but make up for it in another, until pressure causes an adjustment in the compensating area, but that's for a different Congress, a later session. You don't have to get elected every year, you know.

In reality, a new tax bill would be ridiculous. If Congress insists on foisting one upon us, I promise to wage a constant campaign to stimulate the interest and maybe the ire of the American public over the naivete which leads to the assumption by Congressmen that newer and broader ways of imposting the citizens is all that's required of them in dealing with the tax problem.

America doesn't need a new tax bill. It needs tax reform. Reform—not a rewritten version of the old code; not some new rules designed to widen the breech between the poor souls assigned to collect the taxes and the even poorer ones who are obliged to pay them.

Before we strive to put a man on the moon, let's try to replace our childish concept of economics with—heck, just an adolescent concept would be a big step.

Only a few months ago, President Kennedy won enormous support for his presidential campaign by complaining over the lack of growth in America's economy, compared with the economies of other countries.

Allen Dulles provided a later report showing that 30 percent of Russia's gross national product goes into capital investment; 23 percent of Germany's goes into it; 21 percent of Italy's; 18 percent of France's.

In the United States, the leading capitalistic nation, we invest 15 percent of our gross national product in capital investment. That's why we don't grow economically as fast as other countries.

Why? Because of our tax laws. Personal income soars in America. Gross national product increases. Government expenditures zoom upward with predictable constancy. But business investment in plant and equipment remains level—has remained level for a dozen years. The money needed for additional investment is taxed away.

It's taxed away as earnings that should be invested. Because of this policy, we have inflation and that, in turn, taxes away earnings that don't even exist but are merely

anticipated. Phantom profits that appear on paper are wiped out by ever increasing costs for the replacement of machines and equipment and buildings, because of inflation.

Fumbling along under this preposterous system, is the Internal Revenue Service which it is admitted by Commissioner Mortimer Caplin, doesn't really care about justice or equality or fairness—but only in revenue. He stated in crystal-clear language that an IRS ruling may apply to one person but not to another.

He asked for repeal of the gambling tax stamp law, which was supposed to yield $400 million in taxes a year over the last 10 years, because his outfit finds it too hard to collect the taxes. He warned that what may be allowed on a tax return this time around may not be allowed next time if the Treasury really needs money.

Taxes, he concedes by his statements, are collected by caprice and from the law-abiding and docile (and usually) the poorest Americans. The terrible truth is that the honest man is the patsy, the fall guy.

Already on file in Congress, awaiting debate, is the Herlong-Baker bill (identical bills, H.R. 2030 and H.R. 2031) which would provide for sweeping tax reform to be monitored by law and regulation, not by whim.

The program would, over a 5-year period, reduce taxes for everyone, individuals and corporations alike, yet, because of the increase in capital investment, result in higher revenues for the Government. If higher revenues are needed, this is the way to get them.

All tax rates would be cut at least 25 per cent. The highest rate would be 47 percent on individuals and corporations. Also, depreciation allowances and gift and inheritance taxes would be reformed.

You can get more information on the Herlong-Baker bill by writing to me at the New York Herald Tribune, 230 West 41st Street, New York 36, N.Y. At no charge I'll send you a condensation of the proposal.

Health Care for the Aged: Kerr-Mills and HEW

EXTENSION OF REMARKS
OF
HON. THOMAS B. CURTIS
OF MISSOURI
IN THE HOUSE OF REPRESENTATIVES
Wednesday, September 27, 1961

Mr. CURTIS of Missouri. Mr. Speaker, earlier in this session I placed in the CONGRESSIONAL RECORD, under the title "Kerr-Mills Success—Despite HEW"—CONGRESSIONAL RECORD, September 14, pages 18372–18373; corrections to bring material up to date and correct errors in printing, CONGRESSIONAL RECORD, September 19, page 19112—a summary of the State action for the assistance of the aged in the health care field under the Kerr-Mills Act which the Congress enacted in the 86th Congress. I also called attention to the fact that the Department of Health, Education, and Welfare has done little of a constructive nature to lead States to the enactment of the necessary enabling legislation to bring this form of assistance into effect in the States. Despite the attitude of the Department, great advances have been made under this farsighted law.

My placing this material in the CONGRESSIONAL RECORD brought a response from the Department of Health, Education, and Welfare through its Assistant Secretary, the Honorable Wilbur Cohen. I subsequently replied to Assistant Secretary Cohen hoping to clarify the issue on what HEW's role has been in the advancement of the Kerr-Mills Act. Because of the importance of this question of health care for the aged, I would like to place in the RECORD at this point the letter which I received from the Assistant Secretary of Health, Education, and Welfare and my reply to it.

DEPARTMENT OF
HEALTH, EDUCATION, AND WELFARE,
September 22, 1961.

HON. THOMAS B. CURTIS,
House of Representatives,
Washington, D.C.

DEAR MR. CURTIS: I read with great interest your remarks in the CONGRESSIONAL RECORD of September 14, 1961, concerning the administration by the Department of Health, Education, and Welfare of the programs of medical care for the aged under the 1960 amendments to title I of the Social Security Act.

I note in particular your assertion of the total absence of leadership by the Department of Health, Education, and Welfare to encourage their implementation by the States and a failure to mention the provision for increased Federal financial participation in medical care in behalf of recipients of old-age assistance. I feel seriously that you have been misinformed on both of these points. Quite to the contrary, this Department has extended great effort to bring the benefits of this legislation to its best development.

First of all, the former administration acted very promptly upon the passage of the Kerr-Mills Act. The law was approved by the President on September 13, 1960, and material was sent to the States by the Department 3 days later. The present administration has continued and accelerated stimulation of State action. This has been done in a number of ways. There are the speeches and articles of Department officials, including myself, urging States to take the necessary action to implement the 1960 legislation. State agency personnel, both administrators and technicians, came to Washington to participate in the development of policies and procedures for the implementation of the program. Consultation was made available to the States by the staff of the Department in Washington and by its regional staff. In 1961 some 12 official documents have been transmitted to the States on the subject of medical care, including medical assistance for the aged and medical care of old-age assistance recipients.

The amendments made to the old-age assistance program in 1960 were simple in nature and did not require the kind of interpretation to the States as did the medical-assistance-to-the-aged legislation. We have, however, made the same effort to help States to expand and improve their medical services.

As you know the 1950 amendments to the Social Security Act permitted payments directly to suppliers of medical care to public assistance recipients, including old-age assistance recipients. When the 1960 amendments increased the Federal share in these payments made to old-age assistance recipients, this type of provision was in operation in 43 States. Following the 1960 amendments five additional States have vendor payments in effect, three more have the necessary authorization. The remaining three—Alaska, Arizona, and Delaware require legislation. Of the 43 States that were making vendor payments before September 1960, 21 have improved their coverage or content from the level of that date. By January 1960, three States will expand coverage to the aged who are not in need of a money payment but are medically indigent. Eighteen States have not expanded their plan provisions from the September 1960 level, and one State requires legislation to take full advantage of the sums available under the Federal law.

Far from overlooking the importance of these developments, weekly reports have been issued on the status of these programs. In fact the information you cited on the adavances made was derived from Departmental reports.

The Department strongly supports the 1960 legislation for we believe the States need help in meeting the medical requirements of the needy aged. We further believe that the grant-in-aid approach alone through the old-age assistance and medical assistance for the aged programs, however, cannot be expected to meet the problems of our older citizens who become ill. States have moved as rapidly as possible to use the 1960 legislation and we have helped and urged them to do so. The experience thus far clearly shows that this method or approach alone cannot meet the problem the Nation faces.

Sincerely yours,

WILBUR J. COHEN,
Assistant Secretary.

HOUSE OF REPRESENTATIVES,
Washington, D.C., October 10, 1961.

HON. WILBUR J. COHEN,
Assistant Secretary, Department of Health, Education, and Welfare, Washington, D.C.

DEAR MR. COHEN: Thank you for your letter of September 22, 1961, commenting upon my remarks accompanying the chart I had prepared to show the magnitude of the Kerr-Mills Act operation, which appeared in the CONGRESSIONAL RECORD of September 14, 1961. I appreciate your assurance that the Department of Health, Education, and Welfare strongly supports the 1960 Kerr-Mills Act to assist in providing adequate health care for our senior citizens. I wish the actions supported this assurance.

Granting the routine actions you say were taken by the Department of Health, Education, and Welfare, they fall short of providing leadership of the Department to encourage the States to implement the 1960 amendment. Furthermore, other actions and statements of Department officials were going in the other direction. It is true that the data for the chart came from departmental reports, yet the Department did not compile and publish this information in usable form. It required considerable effort to gather this material together to make the meaningful chart I put in the RECORD.

I would appreciate receiving copies of the speeches and articles of Department officials urging States to take the necessary action to implement the 1960 legislation, to which you refer in your letter, or sufficient reference to these speeches and articles so I may obtain them. Perhaps the trouble has been that the press has not given full publicity to these speeches and articles. Would you send me the publicity releases that accompanied these speeches and articles?

On the other hand, I am well aware of the undercover campaign being conducted by proponents of the social security approach to health care for the aged to denigrate the Kerr-Mills Act. We had a full impact of this in the testimony before the Ways and Means Committee in the recent public hearings, beginning with the morning testimony of Secretary Ribicoff himself. I saw no attempts by officials of Health, Education, and Welfare, including yourself, to contradict this effort and to deplore it. Instead, there seemed to be encouragement upon the part of officials in HEW to carry on these attacks.

The attack on the Kerr-Mills Act has been largely directed obliquely by striking at its use of a means test, to make it appear that a means test is degrading and antisocial. I believe the official position of Health, Education, and Welfare is in favor of the use of means tests in many of our welfare and edu-

cational programs. Certainly, a publicity campaign which encourages people to look upon means tests as degrading can make them somewhat that way. However, a positive program to point out the proper purpose means tests serve, and why they are not degrading, can move public opinion properly in the other direction.

In light of your letter, I want to protest again what I pointed out to Secretary Ribicoff during the hearings, that HEW has been misrepresenting the budgetary problems of our aged by the use of incomplete and, therefore, misleading statistics. On the expenditure side, HEW points up only the cost of health care in the older person's budget, which is greater than for any other age group, but fails to point out that every other item in the budget for people over 65—food, rent, clothing, recreation, etc.—is less than that of any other age group, and that the total expenditures in the budget for people over 65, including the larger health care cost, is less than that for any other age group. On the income side of the budget, HEW has pointed up individual income instead of head-of-family income and ignored the important items of homeownership, savings, and other possessions which the older people have in more abundance than any other age group. Here the Department has shown unfortunate leadership.

I would also like to point out again the absence of leadership on the part of HEW in compiling and disseminating to the public accurate and up-to-date information about what is being done in the private sector in increased health insurance, added facilities, and skills for caring for the aged. The tremendous advancements that have been made in recent years in these fields was attested to by many careful studies presented to the Ways and Means Committee during the public hearings. This data should have been known, compiled, and disseminated by HEW. Certainly, after the hearings were completed, HEW should have helped in directing the public's attention to this data.

HEW still has not gathered pertinent information of what is being done at the county and local governmental level in the health care field and persists in issuing misleading information about what States are doing, minus this data. Many States operate their health programs primarily at the county and local level, rather than at the State level. HEW, in issuing its statistics, fails to note this important fact.

My statements in the CONGRESSIONAL RECORD of September 14, 1961, are mild when I think of the complete story of the negative leadership HEW has been giving to the country in this important issue of health care for our society.

I would be happy to have your further comments on this matter in rebuttal. I have no desire to be unfair, but I am determined to do the best I can to give the public as full and as balanced a picture of our health care programs as possible.

Sincerely,

THOMAS B. CURTIS.

The Politics of Tax Reform

EXTENSION OF REMARKS

OF

HON. THOMAS B. CURTIS

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 27, 1961

Mr. CURTIS of Missouri. Mr. Speaker, one of the important legislative questions of the 1st session of the 87th Congress was that of tax reform. Extensive hearings on this subject were held by the House Committee on Ways and Means, based upon the proposals of the President in this field. At a recent meeting of the Economic Institute on Tax Reform of the U.S. Chamber of Commerce, I had the opportunity to discuss the bases of tax reform and its politics. Because of the current interest in this matter and its prominence before the Congress, I should like to place my statements in the RECORD:

REMARKS OF THE HONORABLE THOMAS B. CURTIS, REPUBLICAN, SECOND DISTRICT OF MISSOURI, BEFORE THE UNITED STATES CHAMBER OF COMMERCE, ECONOMIC INSTITUTE ON TAX REFORM, WASHINGTON, D.C.

THE POLITICS OF TAX REFORM

Tax reform is like the weather. Everybody talks about it, but no one does very much about it. Indeed, taxes, although a human creation, seem to follow rigid laws that are beyond the power of human control. The old adage, death and taxes escape no man, bears out this observation. Taxes are the essence of government, and government is the essence of organized society.

How do human beings reform something that is inhuman? By appealing to the inequities of it? I doubt it. I don't believe there is equity in taxes anymore than there is equity in fire or weather or any natural force.

The only sound appeal for tax reform is inefficiency of a specific tax or inefficiency in a tax system: (a) A tax may become too costly to collect; (b) a tax may become so burdensome that a government which seeks to enforce it falls in the process; or (c) a tax may bring about economic or social damage.

The equity of a tax is a subjective thing. This subjective thing becomes important because it bears upon the efficiency of collecting the tax. Our tax system is largely a system of voluntary collection. A voluntary system is the most efficient of all tax systems and should always be the goal of tax legislation. Some people smile when that observation is made, as the various penalties for tax evasion come to their minds. However, I submit that the penalties in our tax system operate mainly to assure our people that everyone pays his taxes and those who try to evade taxes do suffer the consequences. However, a tax system that fails to adjust for inequities results eventually in an involuntary system of collection, because of the prevalent feeling that everyone does not pay taxes.

Taxes follow the law of inertia. It is difficult to put a new tax law on the books. It is equally difficult to remove a tax law from the books. This is particularly noticeable in the Federal excise tax system which is selective. There really is no rhyme or reason about which products or services bear a Federal excise tax, except the efficiency with which the Government can get revenue. It is costly to put a new tax into effect. The longer a tax is in effect, however, the more efficient it becomes. Also, the longer a tax is in effect, the less economic and social damage it causes, because people learn to live with it. The wound heals over, a scar is formed, and pretty soon even the itching ceases and, only in bad weather, does one receive a twinge of pain.

There are three types of tax reform. One type of reform relates to the basic tax structure and is based upon political and economic theory. The other two relate to specific tax laws and are based upon immediate social and economic impacts.

I shall first briefly discuss the politics of specific tax reforms and then proceed to discuss in more detail the politics of basic tax reform.

The two types of specific tax reform are:

1. Those based upon appeals to efficiency, which include equity.

2. Those based upon appeals to produce or to eliminate economic and/or social results.

I think any government, whatever may be its basic tax philosophy, if it is wise, will listen to appeals to tax reform based upon efficiency and upon equity. Too often tax reform is pushed in the guise of equity, when the real argument relates to some alleged undesirable social or economic impact the tax creates. It is helpful to keep the two arguments separate in pushing through tax reform, although sometimes it is difficult to do so.

Let me illustrate. Quite a bit of political action has been directed toward eliminating the Federal communications excise tax. It is argued that the tax is inequitable because other goods and services are not taxed. It is also argued that the tax was put on as a temporary war tax. These appeals to equity are inconsequential because they have little bearing on the efficiency of collecting the tax. Unfortunately, in many respects the communications tax has proven to be an efficient tax; what inefficiency there may be stems from the inflationary impact it has, resulting from its multiplier effect on prices as it is passed on, marked up, through the entire business process and ultimately paid for by the consumer. I suspect that the consumer pays 50 percent more than the Government receives in revenue.

It is possible to organize politically to successfully change a specific tax without any sound reason at all, but this has to do with the techniques of lobbying and other political action. I have seen this done on many occasions, and admired the techniques, but I have always doubted whether the cost and the effort were really worth it. Certainly, the damage to the legislative process more than outweighs the benefits. However, it is less costly to organize politically to change a specific tax if it is based upon some sound reasons and, if the reasons are sound enough, it costs little or nothing.

It requires little effort to get a tax changed if a good case for its efficiency is made. This is one reason it is important politically to separate economic and social reasons from reasons of inefficiencies and pure equities. All that is required politically, in this instance, is to call the matter of inefficiency or inequity to the attention of a Member of Congress or any proper person in the Treasury Department.

It requires more political effort to get a tax changed based upon arguments of alleged undersirable social and economic impact. It is for this reason I suspect that many instances where a good case could be made on the basis of an undesirable economic impact, such a case was not made, but rather, an unsustainable appeal to allege inequities was made in its stead. However, this is a dangerous risk to take, because those who are not in agreement about the undesirability of the social or economic impact are left free to expose the inadequacies of the appeal to equity or inefficiency, and never have to answer the adequate arguments pertaining to social or economic impact.

Let me illustrate. The tax credit and exemption for dividends paid upon stocks is usually defended upon the grounds that it is inequitable to tax stockholders twice on corporate earnings. Well, this argument cannot be sustained, as it relates to efficiency of tax collections. This tax reform was placed in the code in 1954, not on the basis of any equitable consideration, but rather, on the basis of equalizing the tax impact on new equity with that of debt and retained earnings to finance corporate economic growth. Actually, if this matter were fully understood by the public, I think the political effort necessary to retain this reform in the

law and, indeed, to enact the next two steps as originally planned would be very little.

Indeed, I might make this observation about most legislation, particularly tax legislation; the primary political effort needed is to inform the public of the truth of the matter.

The double taxation of dividends, however, has been argued to the public on the basis of equities. There is little doubt in my mind which side has won the equity argument. It has been won by those who say, "What's inequitable about taxing stockholders twice?" We have a graduated income tax which taxes the investing class, who are the higher income brackets, as much as five times as much as wage earners. Frankly, I am still looking around for help in getting across the economic argument to the public. Indeed, I sometimes think I will convert Walter Reuther to the importance of not giving tax favoritism over new equity financing to retained earnings and debt financing before I get Keith Funston to understand the political wisdom of appealing to economic argument instead of equities.

The political problem of urging tax reform related to social and economic impact is complicated by the fact that not all people believe that a tax system should strive for social and economic neutrality. There is a growing school of political economists who argue that we should use our tax laws deliberately to bring about social and economic results. I shall discuss this later in relation to the politics of basic tax reform, but it must be alluded to at this point because arguments for specific tax reform to achieve better neutrality fall on many deaf ears today.

It is a very difficult political problem to deal with, because seldom do these people openly reject the theory of tax neutrality. Indeed, they give lipservice to it.

Another political problem we run into in trying to bring about tax reform to alter economic or social impact is that, unlike appeals to tax efficiency, these reforms, if enacted, often produce immediate losses of revenue. Unfortunately, the Treasury Department still computes revenue on the limited annual formula of tax rate times the specific tax base set out in the code. Apparently the revenue officials are not yet ready to try to compute the changes in tax bases, resulting from economic and social changes, or to recognize that a high tax rate can be a contributing cause to a lower tax base and, conversely, that a lower tax rate can contribute to a larger tax base. Not having reached these points, of course they don't consider the further refinement that the factor of tax collectibility decreases as the tax rate increases and the base narrows, and increases conversely. In other words, as the rate rises and the base narrows, the collectibility shifts markedly from the efficiencies of a voluntary system to the inefficiencies of an involuntary system. The costs of tax collection rise, and so the net revenue return is lessened.

Until the Federal bureaucracy charged with administering our tax laws and having great power over any tax reform reach the point of understanding the economic laws of taxation, it is very difficult to get through tax reform on appeals to undesirable economic impact of a particular tax law. It is time our citizens realized that the Federal bureaucracy is the strongest political party in America today. It is much stronger and more effective and, in certain ways, better organized than the two better known major political parties—the Republican and Democratic—particularly in technical fields like taxation.

It has always been my advice, and it remains so today, to people who want to get through tax reform—lay off the members of the Ways and Means Committee and concentrate on the nameless members of the bureaucracy. I can assure you when I try to get reforms through, that is where I begin.

As a conservative, I am happy about one thing. The bureaucracy is unsympathetic to tax reform to produce economic and social results just as much as it is apathetic to appeals to reform to produce tax neutrality. They are for the status quo except in respect to inefficiencies. Their guiding star is immediate revenue, and they compute it by applying the tax rate to what has been the tax base. Tax revenues to them are the resultant of the rate and the base set out in the code and are apart from a changing economy and changing social structure except as the results of the preceding year make their mark. To this extent, they are allies on the side of tax neutrality.

I now want to turn to the politics of basic tax reform. It centers around basic economic and political philosophy. I think it is time that those who advocate basic tax reform, and I do, realize that they are in fundamental disagreement with a more powerful political force. I do not want to get into a discussion of how to become politically active, although this is really the subject involved in discussing what barriers there are to basic tax reform, how insistent are the pressures for reform. A PAC (a political action committee) or a COPE (a committee for political education) constitute some of the basic barriers to basic tax reform, and the lack of a PAC or COPE on the side of reform indicate the weakness of the pressures for reform.

There is no acceptable reason that the political force opposed to basic tax reform should be more powerful than the political force in favor of reform. There are many explanations, however. The basic explanation lies in the fact that those opposed to basic tax reform give lip service to basic tax reform. Those opposed to basic tax reform give lipservice to the theory of tax neutrality and, yet, seek constantly to use tax policy to produce specific economic and social results. Those opposed to basic tax reform give lip service to the theory of expenditures trimmed to the amount of tax revenues to be anticipated from a sound tax structure and yet they deliberately seek to have the Government spend, in complete disregard for anticipated revenues. Those opposed to basic tax reform give lipservice to a balanced budget, at least over a business cycle, if not annually. Yet these politically adept groups have this year successfully promoted unbalanced budgets in years of anticipated prosperity.

In other words, we are engaged with opponents who avoid open public discussion and debate. They have gained their political power through pretending to agree when they disagree. They have not been frank with the people of this country.

It is difficult to have any tax reform under items 2 and 3 when we have high expenditures and a large public debt, because the demand for revenues is so pressing. If tax rates were lower and tax bases broader, we would implement many reforms without having serious economic or social impact. But, with high taxes, it is almost impossible to make any reforms and to attain tax neutrality. The basic law of inertia applicable to taxes works against change. Taxes to our economy are like speed to a ship. If the rate is low, a heavy application produces little change in direction. However, if the rate is high, the slightest touch of the rudder alters the direction. The Keynesian economists, who are opponents in this struggle, depend upon high taxes in order to implement their economic ideas. Without high taxes, governmental fiscal policy would be largely ineffectual in implementing social and economic ends. It is also noteworthy that without a large Federal debt governmental monetary policy would lose much of its power. Therefore, deficit financing is a part of their scheme of things. They do not, as a matter of policy, wish tax revenues to exceed expenditures, except for short periods, in which it is difficult to plan sufficiently ahead to avoid.

The Keynesian political economists don't want basic tax reform. The graduated income tax with rates up to 91 percent and the corporate tax of 52 percent are essential for them to accomplish their aims. So are the differentials essential to their schemes. These differentials include the 25-percent capital gains rates and the rates of so-called loopholes. These people do not believe in tax neutrality. They seek to use the tax structure to regulate and direct the economy.

These people are fundamentally opposed to the approach of the Baker-Herlong bill, not because the Baker-Herlong approach is not good tax reform, but because it will place our tax structure strongly back into a position of neutrality.

Tax is the basic feature of government. Why is it so hard to realize that those who sought to change our form of government looked to reforming this basic feature? Why is it so hard to realize that they will fight to the utmost, using any methods, any attempt to alter the basic change they successfully brought about in our tax structure?

The politics of tax reform, gentlemen, are wrapped up in the politics to preserve both the private enterprise system as well as the representative form of government.

We will have no basic tax reform next year, or the year after next, or the year after that. We will only have basic tax reforms when we expose to the people of this country what the true philosophy of the proponents of high taxes and high Federal debt truly is. Then let them defend their philosophy openly before the people, with all the sincerity that they possess, that a highly centralized form of government which plans the economy and social goals for our people is superior to the system of government and economics under which the harvest that we have been reaping the past few decades was planted and tilled. Let them not tell the people that the harvest we are reaping today is of their planting and of their cultivation. Those who have gone before us into the great beyond planted and cultivated the good harvest we are reaping. We have to look ahead into the next decades to visualize what we have planted and tilled for the next generation to reap.

People say to me, "Well, if this has been going on for many years, and it is in fundamental error, as you suggest, how have we withstood it? You are always saying we lead the world in economic and social achievement." Part of my answer is my prior observation. The other part of my answer is this: The representative system of government and the private enterprise system of economics are much tougher and sounder than anyone, its supporters or detractors, had suspected. It had to be in order to have withstood the abuse it has been subjected to over the past years.

But its resiliency is being depleted. We have weakened its regenerative process through our tax laws, in the discouragement of individual initiative. Time is running out on us. We must learn the politics necessary to effect basic tax reform and, in this knowledge, take political action.

Much Talk, Little Action

EXTENSION OF REMARKS
OF
HON. STEVEN B. DEROUNIAN
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Wednesday, September 27, 1961

Mr. DEROUNIAN. Mr. Speaker, the following article by Robert G. Spivack in a recent edition of the Sunday New York Herald Tribune points out how less than bold the New Frontier has proved itself. The American people have a right to demand the end of this confusion.

The article follows:

LESSONS IN POLITICS

(By Robert G. Spivack)

WASHINGTON.—The price eventually paid by a politician for campaign exaggeration is voter disillusionment and frequently voter distrust.

Now that Congress has gone home, the Kennedy administration is paying a part of the price.

To many voters John F. Kennedy is still a young man in the White House. He has suffered severe blows since the ill-fated Cuban affair. There is no indication that the crises to come will be any less severe. Perhaps no President since Franklin D. Roosevelt has had so many problems thrust upon him so soon. But they have not all been inherited.

While he is well liked as a person he still has to establish himself as a strong Executive.

Of course if war over Berlin is avoided, without surrender, and if there is some move toward establishing freedom in East Germany, then the administration's shortcomings at home will, for a while at least, seem insignificant because the sense of public relief will be so great.

But even if the Berlin crisis passes, there will continue to be domestic needs to be met on more than a day-to-day basis. Right now the first order of business is for the administration to reestablish public confidence that there is purpose, dedication, and the will to fight for what it says it believes.

The President is reported to have complained recently that he cannot understand why so much more is demanded of him than of his predecessor. The answer is that the public was led to expect so much more.

This is at the bottom of that letdown among so many liberal Democrats and independents who wish the President well—but also expect more of his words to be translated into political action.

During the presidential campaign we were told that the Kennedyites always played it cool and that they were master political calculators. Look how easily they humbled Hubert Humphrey, Adlai Stevenson, and even the shrewd Lyndon Johnson.

As campaign strategists their talents were impressive. But as strategists on Capitol Hill or in Government operations there has been one miscalculation after another. What were they?

To begin with there was a diffusion of objectives. The White House was so determined to equal F.D.R.'s first 100 days that it set out to do everything at once. Then it quickly decided to compromise. Afterward it became apparent that warmed-over programs of other years had better be handled first, because they were relatively easy.

The hard jobs were left for last and finally never did get done. There were two big steps forward and perhaps this is all they should have tried for: the establishment of the Peace Corps and the new Disarmament Agency. But we were told so much about other deficiencies, from the nonexistent missile gap to medical neglect of the aged, the public expected bold new approaches which were never forthcoming.

Another tactical error was deliberately to lay aside the fight to curb the filibuster. This was a move to appease the old South which demonstrated as usual that appeasement rarely works and went right on fighting New Frontier legislation. Then there was the medical care bill. After a look at the realities, it was put over to next session. Some believe this may yet prove a political bonanza in a campaign year, but it also could become a boobytrap if the Democrats don't deliver.

The miscalculation which may prove costliest and has severely shaken confidence in the new administration was the mishandling of the school aid program. The administration began to fight too late with too little. Yet this was the one piece of legislation that really tested the President's ability to deliver what had been promised in the campaign.

It was the kind of contest that other Presidents, F.D.R. for example, might have welcomed. Roosevelt would have gone straight to the people and told them exactly what he was up against. Kennedy might have proposed that the religious issue be met head on by suggesting that opponents of public school aid seek a constitutional amendment if they wanted to alter the accepted meaning of separation of church and state. After a feeble start, there was no leadership.

The education battle would have been a glorious fight in a glorious cause. And the glory would have been the President's.

The House Un-American Activities Committee: A Letter to the Editor

EXTENSION OF REMARKS
OF
HON. ROBERT R. BARRY
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Wednesday, September 27, 1961

Mr. BARRY. Mr. Speaker, in a letter to the editor of the Herald Statesman, of Yonkers, John A. Granlund, of Eastchester, N.Y., did an excellent job of putting into words his particular view of the problems faced by the committee and the broad congressional support that the committee receives. Because this is such a careful treatment of the issue, I believe Mr. Granlund deserves an even wider audience. Consequently, I would like to enter his letter at this point in the RECORD:

To the Herald Statesman:

The New York Civil Liberties Union gave a showing of the film "Operation Abolition," at the Edgemont High School in Greenburgh.

The film, showing student rioting at the time of the hearings of the House Committee on Un-American Activities at San Francisco hall in May 1960, was taken by the TV people from whom the House committee obtained it by subpena, in order to have a copy of it made by the Video Productions, Inc., of Washington.

The purpose of the showing was to discredit this official evidence of the rioting by Communist-led University of California students. The result was apparently not very satisfactory to the Civil Liberties Union. Too many loyal Americans were present at their local school to show their support of the U.S. Congress in its effort to inform the people about the doings of our few card-carrying Communists and their many dupes in our midst.

These patriots recalled that, when the latest presidential election brought a liberal victory, organized and seemingly well-financed efforts to destroy the House Committee on Un-American Activities were increased in intensity; yet when the vote came in the House, only 6 Members voted against the appropriation for the continuance of the committee.

The chairman of the committee, when arising to speak in behalf of the appropriation, was given a long and standing ovation from virtually the entire House membership, Democratic and Republican.

The question is, What is the Civil Liberties Union going to do about such a Congress? Are they going to bend their efforts to make our Congress a one-party, Soviet-type affair, in order to do away with the nasty "watch-dog" activity of the House Committee on Un-American Activities?

And what is the Civil Liberties Union going to do about the Supreme Court, which also stamps its seal of approval on the House committee, when it says in *Whitney* v. *California* (274 U.S. 257 (1927)), "Criminal conspiracy is outside the protection of free speech"?

The Civil Liberties Union is indeed out on a limb. The times are too serious to deny the Congress its historical duty to investigate in order to inform the public and to legislate.

JOHN A. GRANLUND.

Civil Rights?—Civil Wrongs

EXTENSION OF REMARKS
OF
HON. A. WILLIS ROBERTSON
OF VIRGINIA
IN THE SENATE OF THE UNITED STATES
Wednesday, September 27, 1961

Mr. ROBERTSON. Mr. President, I ask unanimous consent to have inserted in the Appendix of the RECORD an editorial from a recent issue of the Richmond, Va., News Leader entitled "Civil Rights?—Civil Wrongs."

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

CIVIL RIGHTS?—CIVIL WRONGS

More than a century ago, Roger Taney undertook to describe, in the Dred Scott case, the inferior status occupied by the Negro slave in the first part of the 19th century. The Negro, he wrote, at that time "had no rights the white man was bound to respect."

Taney's phrase comes inescapably to mind as one puts aside the Civil Rights Commission's report on housing. This strange document wholly reverses the situation Taney described in 1856. The whole tone of last week's report is that in the United States, the white man no longer is to have rights that anyone must respect. In the name of civil rights, the Commission has traveled full circle.

This long report—it runs to 20 pages—is based upon the premise that every bank in the land, and every savings and loan asociation, is in some fashion an instrumentality of the Federal Government. The reasoning is that these private institutions work closely with the Federal Housing Administration, the Veterans' Administration, and the Federal National Mortgage Association; they are supervised and regulated by such agencies as

the Federal Reserve System, the Federal Home Loan Bank Board, and the Comptroller of the Currency; their deposits are subject to Federal insurance; they derive many benefits from Federal law. This being so, in the Commission's view, it is recommended:

"(2) That the President (a) direct FHA and VA, on a nationwide basis, to take appropriate steps to assure that builders and developers will not discriminate on the grounds of race, color, or creed in the sale or lease of housing built with the aid of FHA mortgage insurance, or VA loan guarantees; (b) direct FHA, VA, and FNMA to take appropriate steps to assure nondiscrimination by lending institutions with which these agencies have dealings; (c) direct FHA and VA, in selling or leasing reacquired housing, to take appropriate steps to assure that such Government-owned housing will be available on a nondiscriminatory basis.

"(3) That the Federal Government, either by Executive or by congressional action, take appropriate measures to require all financial institutions engaged in a mortgage loan business that are supervised by a Federal agency to conduct such business on a nondiscriminatory basis, and to direct all relevant Federal agencies to devise reasonable and effective implementing procedures."

That is legalistic language. It may be hard to wade through, but the effort is worth making. What the Civil Rights Commission is proposing, especially in recommendation No. 3, is nothing less than the coerced racial integration of every neighborhood in the land.

To all practical intents and purposes, every financial institution engaged in a mortgage loan business at some point is supervised by a Federal agency. To require them to conduct their business "on a nondiscriminatory basis" has an innocent sound. Who could object to that? In practice, it would compel the lending institutions to make loans which in their business judgment were completely unsound. It would threaten the institutions with effectively being put out of business if they permitted the factor of race to influence their decisions in any way.

In this recommendation for radical Federal intervention, the Negrophiles of the Civil Rights Commission have wholly ignored the interests of individual depositors and the responsibilities of the lending institutions. Search this report from beginning to end, and except in Mr. Storey's ringing dissent, you will not find one paragraph, one sentence, one syllable, to suggest that the depositor has any rights at all. It has never occurred to a majority of the Commission that a bank or a savings and loan association does not lend public money, or even its own money; it lends the funds entrusted to it by depositors or shareholders. The lending institution's primary responsibility, surpassing everything else, is to this fiduciary trust; as Mr. Storey points out, banks are not institutions for social reform.

It is noteworthy that the top Government officials who were sounded out by the Civil Rights Commission on this far-reaching proposal responded with almost united opposition. Mr. Kennedy has made no gesture toward implementing the Commission's recommendations. The Congress, it is thought, would never give legislative consent. There is perhaps no reason for alarm on the part of homeowners or bankers at this time.

Yet the whole tone of the Commission's report raises concern. This is the fanatic voice of the passionate abolitionists of a century ago, ready to cry down every reasonable objection in a fury of equality. The right of a citizen to sell his property to whom he pleases, the right of a banker to loan his depositors' money according to his own best judgment—these rights must be obliterated. In pursuit of supposed civil rights, sad to say, the Commission would impose upon all Americans a new order of despotic civil wrongs.

Twin City Reborn

EXTENSION OF REMARKS
OF
HON. EUGENE J. McCARTHY
OF MINNESOTA
IN THE SENATE OF THE UNITED STATES
Wednesday, September 27, 1961

Mr. McCARTHY. Mr. President, the city of Minneapolis, Minn., is one of the most attractive cities in the Nation and many projects are now underway to add to its importance as an economic and cultural center. The businessmen of the downtown area have carried on an extensive improvement program and at the same time, under the direction of the Minneapolis Housing and Redevelopment Authority, a 17-block area in the old downtown section near the Mississippi River is being cleared and rebuilt.

The vision and the enterprise of the civil leaders and public officials deserve recognition; in fact, their efforts have already received international notice. I ask unanimous consent to place in the Appendix of the RECORD an article, "Twin City Reborn," which appeared in the London Economist for September 9, 1961.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

TWIN CITY REBORN

(From a correspondent in Minneapolis)

Minneapolis is a well-favored city: its residential streets are shaded by lovely elms; its parks are admirable; its boundaries embrace a dozen sparkling lakes. As well as being the industrial hub and regional capital of the upper Midwest, Minneapolis is its cultural Mecca with its giant University of Minnesota, a symphony orchestra and two art museums. Minneapolis and its smaller twin city, St. Paul, lie on either side of the great Mississippi River, at the head of its navigable reaches. The combined metropolitan area contains 1,500,000 people but, although the population of the region is growing, the number of city dwellers is not expected to get much larger.

A few years ago a group of businessmen and civic leaders, watching with dismay as residents and industries fled from the center to the surrounding suburbs, decided that what was happening in dozens of other American cities was definitely not good enough for Minneapolis. A district along the waterfront now known as Gateway Center, where the city began a century ago, had taken on the characteristics of "skid row" and blight was spreading into neighboring areas. In the commercial heart itself many obsolete buildings had been razed to the ground but the sites remained, like gaps in a mouthful of teeth, unfilled except with parked cars. At the same time, shopping centers were springing up by the score in the suburbs, doing their best to rob the city shops of their trade. One such center was in fact built, at a cost of $20 million, by the city's largest department store.

To turn the tide, city leaders injected new life into the local planning body. Merchants banded together in a downtown council and proceeded to remind residents that the central city possessed hotels, restaurants, and entertainment facilities that suburban centers could not hope to rival. Many of the buildings were subjected to a facelifting operation; they were given new fronts, cleaned of the soot and grime that had hidden them for years and supplied with air conditioning. New buildings rose on previously vacant plots. Among them was the first skyscraper to go up in Minneapolis since the building boom of 30 years ago. Half a dozen multistory parking ramps were built to take stationary cars off the streets and the number of open parking lots was reduced. Several of the large hotels announced plans for expansion. Recently, construction was started on a $25 million project which will provide, in a single block, a 17-story office building, a 13-story motor hotel, and a new parking ramp for 1,000 cars. Public improvements, at a total cost of $18 million, have provided a health center, a library, a building for the State employment office, and a Federal courthouse.

These public buildings have gone up between the refurbished commercial district and the old Gateway Center area. In the past, piecemeal efforts had been made to halt the deterioration of this area but they all failed. The construction of a grand new post office and the laying out of a park did not inspire private capital to move in and consultants told the Minneapolis Housing and Redevelopment Authority that only broadscale clearance and redevelopment would do the job. This is now under way. Seventeen city blocks, once containing cheap taverns and pawnshops and flophouses for down-and-out transients and elderly men living on wine and old-age pensions, are falling to the ground under the wreckers' hammers. The area looks like Frankfurt after its wartime bombings.

The new buildings will start to go up soon for now at last private capital is moving in. Municipal and Federal authorities, who between them help to plan and finance such urban renewal schemes, have recently approved a $43 million private project, which will include a new 17-story Sheraton Hotel, and another $22 million worth of privately financed construction is under negotiation. The developers hold out the promise of a "city within a city," employing 1,800 hotel, restaurant, and shop workers and providing housing for 3,500 people in four high-rent, high-rising blocks of flats overlooking the Mississippi.

The development of the Gateway Center will mean more than a striking addition of bricks and mortar. Although government agencies will have invested $15 million in the purchase and clearing of blighted land, the taxpayer will receive a sizable return on his investment; the 17-block area is expected to yield $1,600,000 a year in property taxes compared with only $375,000 before demolition took place.

Our Cold War Battle

EXTENSION OF REMARKS
OF
HON. ROBERT R. BARRY
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Wednesday, September 27, 1961

Mr. BARRY. Mr. Speaker, recently the Herald Statesman, of Yonkers, carried an excellent editorial on the power of truth in this struggle for man's future. I believe these comments should be brought to the attention of the Congress:

TRUTH IS OUR MOST POWERFUL WEAPON TO BARE COMMUNISM'S VULNERABILITY

We're sure the Soviet people have not heard from any of their own governmental sources about a couple of incidents in recent days.

Certainly they have not been told about 18 of their technicians arrested as thieves in a diamond mine and obviously they would

not be informed of the foiling of a Communist plot to overthrow the Government of Liberia traced to the Red Embassy in Ghana.

The incidents, we hope, are being broadcast by Western sources into the censor-deafened satellite nations and to those who yet hope to be free masters of their own destiny.

In Guinea, it turned out that Soviet aid got mixed up with a little private greed on the part of the 18 mining technicians.

They had been assigned to the diamond mines to show the natives how to get the best results. They were masters of their points, for they were caught lining their pockets with the newly mined gems.

In Liberia, a story out of Monrovia reports that the secret police broke up a plot to overthrow the Liberian Government in favor of a Communist regime and traced the support of the plotters to the Soviet Embassy in Ghana.

Nothing can kill the blandishments of the Reds quicker than exposure of their failures, their crimes, and their intrigues to those whom they would stab in the back while they pretended to help.

This is one weapon we should continue to be alert to use in the cold-war jousting for power.

Railroad Mergers: The Northeastern Plan

EXTENSION OF REMARKS
OF
HON. JOHN V. LINDSAY
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Wednesday, September 27, 1961

Mr. LINDSAY. Mr. Speaker, E. F. Tompkins has written a most interesting article for the New York Journal-American concerning the "Railroad Mergers: The Northeastern Plan." I invite the attention of my colleagues to this article:

RAILROAD MERGERS: THE NORTHEASTERN PLAN
(By E. F. Tompkins)

Supported by eight mayors from his State, Governor Rockefeller made an effective plea recently before the Interstate Commerce Commission in favor of railroad mergers.

The Commission was considering the rival plans of the New York Central and Chesapeake & Ohio Railroads for control of the Burlington & Ohio. Governor Rockefeller proposed that the three companies be consolidated into one. A spokesman for the New York Central endorsed the recommendation. The presidents of the C. & O. and the B. & O. objected to such an action immediately, but were willing to consider inclusion of the New York Central after a reasonable first-step affiliation of the B. & O. and C. & O. In principle, if not in procedure, the executives of all three lines are really in agreement with Governor Rockefeller.

The prospect for a first-class railroad merger in the Northeast appears, therefore, to be good. This should encourage railroad merger movements in the Northwest and on the Pacific coast. And evidence is ample that consolidations are required to meet railroad problems and avoid the socialistic alternative of nationalization of the major transportation facility.

Another Rockefeller suggestion was more controversial.

Much of the railroad problem results from two kinds of competition: subsidized competition by other common carriers—airlines and users of highways and waterways—and competition by private trucking service which is not subject to regulation and rate adjustment.

The New York Governor proposed that Congress create a Federal department of transportation to make policy for railroads, airlines, boat and barge operators, highway users, and pipelines.

Something of the sort is in the political atmosphere.

At President Kennedy's request, the Department of Commerce is preparing for Congress a report on "all segments of the transportation industry," with legislative recommendations. And beyond doubt, law revisions are requisite: but should a new bureaucracy be erected?

Congress, under the Constitution, has sole power to regulate interstate commerce. Congress accepted its responsibility in transportation by establishing the Interstate Commerce Commission years ago. The logical course today would be to expand the Commission's powers to coordinate all public carrier facilities and maintain fair competition. Some new divisions would probably be desirable within the Commission. But to set up a new major agency, and risk conflicts of policy or purpose within the Government, would be a much worse complication.

President Kennedy's letter to Secretary of Commerce Hodges said:

"It is becoming increasingly clear that the current difficulties facing all segments of the transportation industry will require increased leadership and additional actions on the part of the Federal Government."

On the other hand, too much Government in transportation needs to be avoided.

Sound mergers and constructive amendments of the transportation laws are enough for now.

Television Without Crime

EXTENSION OF REMARKS
OF
HON. ROBERT R. BARRY
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Wednesday, September 27, 1961

Mr. BARRY. Mr. Speaker, considering the wide concern about the high rate of crime and violence offered over television, I thought my colleagues would like to read an article from the September 15 issue of Austrian Information describing the sort of TV fare offered the Austrian people. The article originally appeared in the Montclair (N.J.) Times and was reprinted by permission of the author:

COMPLETE SEASON OF TV WITHOUT CRIME—IN AUSTRIA

(The Montclair, N.J. Times published recently a report by Dr. James P. Pettegrove, assistant professor of English at Montclair State College, under the above title. We reprint this article by permission of the author, who visited Austria some time ago, and the Montclair Times.)

"Not a single crime show has been scheduled for the fifth season of Austrian television," said Program Director Florian Kalbeck yesterday in an interview at his office on Schellinggasse in Vienna's First District. "We not only avoid crime and violence," he added, "but other materials which we think unsuitable for our public, such as excessively erotic films."

Government-controlled Austrian television operates chiefly on a budget received from the current 250,000 owners of TV sets, each of whom must pay the post office 50 schillings ($2) per month. Dr. Kalbeck estimates his maximal audience at less than 2 million, or about one-fourth of the total population of the country. Owing to the present budget, all stations carry the program. To be sure, persons living along the Italian, Swiss and German borders may frequently tune in on foreign programs; from Communist-dominated Czechoslovakia and Hungary no programs are relayed to border areas. As yet Austria has no color television.

TV transmissions begin daily at either 5 p.m. or 7:30 p.m. and end at 10:30 p.m. Taking the program for the last week in June as typical, one finds regular newscasts with a news roundup and sports commentary in the final 10 minutes each day. The Saturday transmission features a documentary film on Africa, followed by a 90-minute film entitled "Spring Is Here."

The Sunday program has more intellectual appeal. "The World of Youth" is an interview show. It is followed by the weekly half-hour course: "Can You Speak English?" For light entertainment there is the serial "The Leitner Family."

Monday begins with a talk for the housewife. This is succeeded by a taped version of a stage performance of a peasant farce. The first item of the Wednesday transmission, "We Look at Picture Books," is for children, as is "Sports for the 11-Year-Old." Then comes the weekly do-it-yourself show entitled "Ax in the House."

Ibsen's "Doll House," the feature of the week, will be relayed from Germany on Thursday. On Friday, concluding the TV week, an Austrian film "Honeymoon" will be shown. It is labeled "not suited for children."

Dramatic productions originating in the Vienna TV studio are obviously Dr. Kalbeck's fondest ambition. He came to his present position after 5 years' experience as play director at the famous Theater in der Josefstadt. However, a limited budget, short-term actor-contracts, and the prestige of stage performance place serious obstacles in the way of TV dramatics.

"With our 4 weeks' rehearsal time, which is all we can afford, we cannot approach the perfection of the best Viennese theaters," Dr. Kalbeck explained. "However, we have able directors on regular contract; and when we can obtain the necessary acting personnel, we can produce plays at a high level. We do this by limiting the number of our productions to about one per month."

The best TV drama, in the director's opinion, is that which deals with the insistent problems of our time. We rarely produce classics, though last year we did Goethe's "Urfaust." As yet we have done no Shakespeare.

"Lack of first-rate contemporary authors, both in Austria and in Germany, is our greatest shortcoming," said Dr. Kalbeck. "But even when an original play is written, there is little hope of obtaining the script for TV. It is not so much the financial advantage of selling the play to a big theater as it is the prestige of a stage premiere."

The director said he received many offers of playscripts from Austrian and German agents, but only after they have been rejected by the big theaters. Some foreign scripts arrive in the mail, but they are inferior—for the same reasons.

In lieu of original plays, Dr. Kalbeck has had his best audience response with productions of outstanding plays of the 1930's, or of the turn of the century. Frequently the older plays are reworked to increase their relevance to current events; or they are produced in period costumes.

The most exciting drama for the Viennese public, according to the program director, is life in Vienna. In this category was the Hungarian dramatist Horvath's play "Stories From a Vienna Wood." Through satire and

irony Horvath expresses the essential dilemma of Viennese life: its beauty and joy against a background of insecurity and hardship.

Otto Bielen's "The Little District Court" was another success in this genre. Bielen held up for ridicule the best-known foible of the man in the street in Vienna: his susceptibility to verbal insult and his readiness to go to court to heal his injured dignity.

As the expression "Ehrenbeleidigungsprozess" (case of insulted honor) suggests, the Viennese does not think in terms of ordinary slander, but of the chivalric tradition. Bielen's play was a tremendous success; its title has become proverbial. But in Viennese district courts hundreds of cases of insulted honor are still recorded from year to year.

Cultural cosmopolitanism is traditional in Vienna, once the capital of an empire of many nationalities. TV dramatics cannot overlook this fact. American, English, French, German, and Italian plays are interspersed with the works of native authors. But, unlike the theaters, foreign classics are not felt to be as acceptable for TV audience; instead, foreign plays are sought which reveal the intimate lives of people abroad. As examples Dr. Kalbeck mentioned Michel Fermaud's "Doors Slam," a piece which exposes the ups and downs of a French working class home, and Dody Smith's "The First Spring Day," which presents the life of an average British family.

The taped version of an actual stage performance is the best alternative to the expensive productions of the TV studio, in Dr. Kalbeck's opinion. The TV public is enthusiastic about this type of program for theater is every man's business in Vienna. Theater management people are also pleased to have their performances taped. Since this is usually done at the end of a play's run, it does not affect box office receipts. Theater audiences, at first perplexed by TV equipment onstage, now accept it as a matter of course.

"There is no competition between TV and the theaters," Dr. Kalbeck stated unequivocally. "But we are competing with the films—and without success to date, owing to our far too limited program."

The effects of TV showings on children are taken very seriously both by the TV authorities and by the general public. Programs containing materials unsuited for children are announced as such; parents are asked to make sure their children do not tune in," the director said. Nevertheless, a news item in today's paper points out a loophole in this method of censorship. The writer insists that an impulsive child may turn on the TV set in the middle of a show and thus innocently taste forbidden fruit. The writer suggests a dot in the prohibited picture as a signal for parents to send their children to bed.

The directors of Austrian TV are opposed in principle to advertising materials. The word for an ad suggests their feeling: "Werbeeinschaltung" means an insertion or interruption for sales purposes. However, the directors have hitherto permitted ads not exceeding 2½ minutes between 7:30 p.m. and 9 p.m. After July 1, ads will be allowed until 10 p.m., and they may be as long as 5 minutes.

Owing to the small buying potential of 250,000 TV set owners, advertising rates have been low. Seven hundred schillings ($28) per second was the flat rate in the past. As of July 1, rates ranging from 500 to 900 schillings ($20 to $36) per second between 7:30 p.m. and 10 p.m. go into effect. Five-minute ads will cost 45,000 schillings ($1,800).

Austrian TV and radio, though situated in different parts of the city, are controlled at the top of a government-appointed board of four directors, one of whom is named director general. Following the pattern of the Austrian coalition government, two directors from the People's Party and two from the Socialist Party. The TV director is a Socialist. "But this does not mean," Dr. Kalbeck hastened to explain, "that TV is an organ of party propaganda; on the contrary, an advantage of our coalition directorate is that both parties scrupulously avoid political bias.

In view of the small population of Austria, Dr. Kalbeck feels that television has made notable advances during the first 5 years of its existence. He needs only an expanded budget for the fulfillment of his ambition to raise the cultural level of the population at large.

Spotlight on Depressed Areas

EXTENSION OF REMARKS
OF
HON. EUGENE J. McCARTHY
OF MINNESOTA
IN THE SENATE OF THE UNITED STATES
Wednesday, September 27, 1961

Mr. McCARTHY. Mr. President, the passage of the Area Redevelopment Act and its approval by President Kennedy represent an important step in assisting depressed areas. However, many practical difficulties and problems still remain to be solved. This point is well made by Prof. Helmut J. Golatz, program director of the department of labor education at Pennsylvania State College. I ask unanimous consent that his article, "Spotlight on Depressed Areas," which appeared in America, September 9, 1961, be printed in the Appendix of the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

SPOTLIGHT ON DEPRESSED AREAS
(By Helmut J. Golatz)

Now that President Kennedy has signed the area redevelopment bill, the center of attention shifts from Congress and the White House to the depressed areas themselves. From here on, the initiative rests with the public and private leaders there.

The fundamental task facing them is to achieve an acceptable balance between the demand for labor and its local supply. In this connection two strategies are possible: (1) to encourage the movement of surplus workers into areas where there is less or no chronic unemployment—this is generally taken locally as a counsel of despair; (2) to encourage the creation of new jobs by the addition of new firms and/or the expansion of existing firms—this is perhaps the ideal, and it is certainly the most popular approach. The administration's policy is to speak softly on out-migration and carry a big stick on industrial development. This policy is realistically in tune with the dynamics of the depressed areas now.

The fact is that workers are leaving the depressed areas, but not as fast as jobs are. Their extra-economic concerns tend to immobilize them. Older unemployed workers, in particular, who have social and property stakes in a community and often have contract ties to an industry, hesitate to move.

Even the younger, more venturesome workers seem to leave in deliberate stages. First they change jobs locally. If this does not work out, they commute to a new job. When they have established job tenure, they move, but they keep in touch with developments at home. If prospects on the new job fade, they make arrangements to return. Meanwhile, in areas where soft-goods, female-employing industries have appeared, the wife works while the husband sinks job roots at a distance. If his prospects improve, she joins him. If not, her job serves as a cushion until he regains employment.

Because of the psychological and social expense involved in this extended process of out-migration, most public and private programs operate on the premise that the jobs should be brought to the people instead. This helps to account for the current emphasis on industrial development.

Industrial development is usually conceived in terms of attracting new firms to an area. Another approach lies in encouraging the expansion and growth of existing industries. Less effort has been expended in this latter direction, because the results are less dramatic and more difficult to measure. When a new plant starts operations, it is obvious that new local jobs have been created. In the case of expansion, however, the net gain in employment may not be apparent; in fact, in some instances, particularly when expansion involves modernization, there may be no gain at all, and perhaps even a loss.

Industrial development takes place within a community framework, and ultimately it rests upon public support. Here the caliber of local leadership becomes a significant force.

As a rule, business leaders have taken the initiative in organizing industrial-development activities in the depressed areas. One usually finds a close identification of the local industrial-development organization (committee, council, corporation) with the local chamber of commerce. Chamber personnel often serve as officials of these organizations, and chamber offices often provide development quarters.

This is not to suggest, however, that all segments of business leadership are equally enthusiastic about industrial-development programs. Generally, commercial and financial groups show more concern than industrial leaders. Merchant and bank groups are probably more sensitive to payrolls and purchasing power, while leaders in industry show greater interest in wage rates and labor costs.

One recalls the experience of a truck-and-auto salesman who accepted his post as chairman of the local industrial-development committee with considerable enthusiasm and verve. When he discovered, however, that the dominant manufacturer and employer in town frowned upon any competition in the local labor market in the form of new firms, and confirmed that displeasure with a sudden interest in rival makes of vehicles, the salesman resigned. Four years later, still in economic distress, the community is mustering its resources for another industrial-development effort. This may be an exceptional case, but the fact remains that manufacturing groups generally follow, rather than lead, industrial-development activities.

Occasionally another factor determines gradations of community support: the comparative complacency of locally owned firms as opposed to absentee-owned firms. The former are operated by members of a family who have achieved a comfortable economic and social standing in the community, which they can maintain without too much effort. On the other hand, the "foreign" firms are more likely to be managed by professionals who must make good in their present location to merit promotion up the corporate ladder. Seeking to break home-office quotas, they welcome every addition to the area economy as a boost in that direction.

Political leaders on both the local and State levels are beginning to display greater interest in industrial development programs. This is a function of the fact that industrial development is in the process of being democratized. Although industrial development organizations still largely reflect their business origins and leadership, their tend-

ency to appeal to an ever-widening circle of the public for funds to finance acquisition of industrial sites and construction of industrial facilities has broadened the base of their constituency. In some localities industrial development is everybody's business, because every effort is deliberately made—as in United Fund drives—to seek support from all groups and individuals in the community who acknowledge their stake in its well-being.

There is another way in which these activities impinge on the public or political sector. Development programs often require the commitment of local government resources in the preparation of industrial sites and in the initiation of urban-redevelopment projects. For example, when land was zoned for an industrial park within one of the larger cities in a depressed area, not only did the mayor and city council have to endure the political wrath of protesting taxpayers in the vicinity of the park, but they also had to find the tax money to finance extension of sewer and water lines to the new facility.

In this regard most smaller mining communities face particularly severe problems, for the passing of industry has left social as well as economic disabilities. Whether distributed in little clusters of coal patches or in small towns, the residents of these mining areas have had little practical experience in the exercise of civic responsibility. While they were in the saddle, the companies made all the basic decisions and allowed public services to go begging. Consequently, the general appearance of these localities now is blighted and bleak.

Moreover, many of the younger miners have moved to new operations or to larger industrial centers, thus dissipating the logical source of future leadership. To verify this dispersion, one needs only to visit these communities on a holiday and count the out-of-State license plates of the visiting sons and daughters.

Nothing less than redevelopment on a regional scale can ease the return of these traditionally isolated mining communities to the main stream of American life. Local initiative, though indispensable, will be at a premium during the transition.

Prospects for the more highly urbanized depressed areas are somewhat better. Having entered the industrial-development stampede at an earlier date, their leaders are well organized and know exactly what the role of Government programs should be: to provide technical assistance and to induce local financial assistance.

Some communities need money and a technical staff to take stock of their local resources and to relate them to the demands of migrating industries. Others need management services to exploit to the fullest the growth potential of the industries they already possess. Nearly all need retraining programs to help make their unemployed more employable—for new and expanding industries at home, if possible; for opportunities in other areas, if necessary.

Finally, in terms of financial assistance, depressed areas need matching State and Federal loans to stretch their local funds over as many projects as possible. They insist, however, that local initiative and effort should set the pace and outline the scope of industrial-development activity. State and Federal agencies should work with them, not for them.

The immediate aim of depressed areas is to diversify the economic base that they have. Although they admit that diversification has not solved their particular problems, they firmly believe that conditions would be even worse if they had not sought any new firms. In most cases, they can point to new firms as stabilizing factors or as holding operations in the face of the precipitous decline of the previously predominant industry—coal, textiles, railroad equipment or consumer durables. The new firms may pay lower wage rates and employ more females than males, but at least there are jobs which sustain community services and buy time while new industrial- and community-development programs are being launched.

Rather late, depressed areas have learned that provision must also be made for adequate public services. Industry may well be the goose that lays the golden eggs, but the political and social fabric in which that productive enterprise takes place must also be kept in good repair. The appearance of urban blight makes industrial and community development all the more difficult in the long run.

In a sense, the problem of chronic unemployment has put many communities in closer touch with economic reality. Every American town seems to have its own phantom plant that was going to locate there but finally moved elsewhere—the big fish that got away. To what extent this was truth or rationalization in specific cases is hard to say. The apparent insiders themselves give contradictory accounts. However, as the technique of attracting new firms is institutionalized, and as the base of community concern for economic growth continues to expand, there should be less and less of this uncertainty and mystery. If the big firm really makes inquiries, more and more people will know of it with certainty. If the inquiring firm rejects the community in favor of another, more people will know of that, too. The chances are they will want to know why.

The new law will help them to examine their community's human and economic resources with a more critical eye. It gives them money to assess their needs and to plan to meet them. It gives money to establish occupational and industrial training programs, thus making the labor force more attractive to new industry and at the same time inducing movement of workers to areas where their newly acquired skills may be in demand. It lends money for construction of plants and acquisition of other facilities, including machinery and equipment. It gives or lends money, depending on need, for construction of public facilities, such as water and sewage systems, to attract new plants.

Few supporters of the law expect miracles, and they hesitate to predict complete economic recovery for any depressed area. Instead, the law's backers are prepared for a lower, more manageable equilibrium of labor demand and labor supply. For many of the depressed areas even a 6-percent rate of unemployment will be a giant step up out of their depression of the 1950's.

An effective area-development program will represent more than a game of balancing supply and demand. It will signify that American communities have come of economic age. It will signify that the habit of dependence on the economic fortunes of one employer or company is a thing of the past, and that planning for economic growth is also part of a community's democratic charter.

Modern Art

EXTENSION OF REMARKS
OF
HON. JOHN H. ROUSSELOT
OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 27, 1961

Mr. ROUSSELOT. Mr. Speaker, on August 17, 1961, and August 18, 1961, George Todt, of the Los Angeles Herald Express, again wrote two excellent articles calling attention to the infiltration of the Marxist artists into our way of life, and their influence on modern American artists. Because I think every Member of Congress should have an opportunity to read these two columns, I wish to have them printed in the Appendix of the CONGRESSIONAL RECORD:

GEORGE TODT'S OPINION—NEW HOPE FOR FINE ART

"Art, as far as it is able, follows nature, as a pupil imitates his master; thus your art must be, as it were, God's grandchild."—Dante, "Inferno."

There is at least one aspect of so-called modern art in which all thoughtful citizens of our Republic may rejoice: It is not now and never has been, primarily an American art movement.

At exhibitions here, as well as abroad, the same tired old Marxist names appear with monotonous regularity—Pablo Picasso, Salvador Dali, Max Ernst, De Chirico, Paul Klee, Tanguy, Chagall, Miro, and the rest of their social revolutionary ilk.

All of them are decadent Europeans. There is not an American among them to be placed on the pedestal of the great in the modern art movement. The latter would be completely laughable to all normal human minds if not also quite tragic at the same moment.

When will we wake up?

GOODNESS, BEAUTY

This is a good question and one to which I have found an interesting and worthwhile answer on the local scene in Los Angeles.

It is something of an aesthetic antidote to social revolutionary snakebite.

Under the inspiring leadership of America's onetime darling of the motion picture industry—and a 100-percent patriot in every respect—Miss Mary Pickford has formed a group of several hundreds of prominent citizens here in southern California to fight for traditional art and culture, which is needed and timely.

The name of this dedicated body of good citizens is the American Institute of Fine Arts and its president, a veritable dynamo of energy and constructive ideas, is Col. Don L. Wells. Honorary president is Miss Pickford and the eminent Dr. Rufus B. von Klein-Schmid of the University of Southern California is honorary chairman.

AND TRUTH, TOO

Inquiries regarding AIFA may be addressed to Colonel Wells at 316 South Lapeer Drive, Beverly Hills, Calif.

Organizations like this one can do much to stem the tides of artistic lunacy which so often in the past have given our people what, in all fairness, can only be called "the depraved look."

In the realm of ideological warfare, I consider Miss Pickford one of the most effective exponents of the conservative doctrine which is sweeping our Nation like wildfire today. She has real courage and recently stood up boldly against "Castro, communism, and abstract art."

I hope many more in the arts and allied professions will follow her inspiring example. Let's be counted for America.

Recently I had a very instructive session with Colonel Wells and learned from him that a resurgence of culture is appearing all over the world. He is optimistic for the future. This is what he told me:

"The rapid growth of the idea which started AIFA—and the way people have rallied to it—makes the institute a leader in demanding the recognition of recognizable arts for our people now and for generations yet to come, so that there will be understanding among peoples of all nations.

NOW YOU CAN SEE

"Recognizable arts are old on the historical scale. Art was a means of communication in the days of the caveman. It is a universal language even today. To reach all peoples of all nations, art must be recognizable. A painting of a horse with three heads and eyes floating in space * * * a man with half a face, torso off in another direction, tends only to add to the confusion of an already confused people.

"The average or typical citizen is the backbone of the country. He understands only that which he recognizes. We arrive at no good end in placing before him something he does not understand. He walks away from it in confusion, poking fun at American culture—as he did in the World's Fair in Brussels a couple of years ago.

WHAT ART CAN DO

Incidentally, membership in AIFA is only $5 per year and worth every cent of it. Those interested in membership may write Colonel Wells or call him at OL 5–9528 or CR 6–5432.

Not long ago, Miss Pickford revealed that she plans to leave her celebrated "Pickfair" to the Beverly Hills community as an art memorial. It is filled with art treasures and antiques. Not a single Picasso or Dali among them. This is really living?

To which the correct answer is, by all means, an unqualified yes.

GEORGE TODT'S OPINION—ART, OH WHERE ART THOU?

"It's clever, but is it art?"—Kipling, the "Conundrum of the Workshops."

Why has the so-called modern art school waged a bitter, internecine war against the adherents of traditional art over the years? What is behind it? Where are the bodies buried?

Many students of ideological patterns in our world today quite frankly think modern art is largely subversive.

Here are some of their views:

Writing in the New Masses in 1946, William Z. Foster, Red party boss in the United States, stated revealingly:

"There must be a clear understanding that art is a weapon in the class struggle. Not only is art a weapon, but a very potent one as well. Moreover, rising revolutionary social classes instinctively recognize the importance of art as a social weapon. They have always forged their own art and used it to challenge that of the existing ruling classes."

MIXED-UP MIND

Now what is the historical background of the modern art movement? Where did it come from? And why?

Actually, it received its first impetus from decadent art circles prior to World War I. From this was spawned the obscenity of dadaism, futurism, cubism, expressionism, symbolism, and, perhaps the most appalling of them all—surrealism.

The latter is the greatest mountebank of the lot: the No. 1 phony in the world of art—past, present, and future tense.

Here is what the celebrated British writer, J. B. Priestley, had to say after viewing one of the more flagrant—and fragrant—surrealist exhibitions in London nearly a generation ago:

"The surrealists stand for violence and neurotic unreason. They are truly decadent. You catch a glimpse behind them of the deepening twilight of the barbarism that may soon blot out the sky until at last humanity finds itself in another long night."

How did this meaningless gibberish called modern art commence in the first place? It stemmed from the same kind of sick outlook in tortured, twisted minds that later created communism, fascism, and nazism.

All of this assorted batch of monstrosities arose out of a jaded and disillusioned Europe in the early part of the 20th century.

SICK AT HEART

Social revolutionary artists, who were the ideological counterparts of their fellow social revolutionary political contemporaries, contrived to use art as a means of power over their fellows.

In true revolutionary style, they created their Frankenstein monster—which they conveniently labeled modern art—for only one specific purpose. And that was the deliberate warping of the human mind from all that which is beautiful, good, and true.

For these esthetic degenerates with a political twist desired man to turn to the contemplation and worship of disordered visions of madness, ugliness, social protest, and the usage of esoteric, occult symbols in place of reality.

THOSE DO FINE

The remaining step for these unprincipled charlatans was simple enough in its accomplishment: this was to convince the ever-pushing crowd of social climbers throughout the world that failure to recognize and adopt their pernicious standards would stamp them socially as unimaginative bores.

As is the usual case with revolutionaries, they soon formed their own tight little ruling cliques. And thereafter, these uncouth barbarians have managed to gain—and hold—a virtual death grip on the elite in the realm of art. Incredible, but true.

MODERN ART?

Perhaps it is a sign of our debased times that so few voices have understood and cried out against this unesthetic travesty and outright blasphemy against our Western cultural heritage, against civilization itself.

This rotten garbage, which so generously labels itself modern art, has had the effrontery in the past to depict Jesus Christ as an ugly insect.

Such viciousness brands it as being fit only for unprincipled atheists, fools, or subversives. It can pass no test of any kind which is based upon the paramount virtues of art, which are reason, beauty, intelligence, inspiration, love, and esthetics.

What can modern art be without any of these to recommend it?

Press Statements for the Joint Senate-House Republican Leadership

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EXTENSION OF REMARKS

OF

Hon. EVERETT McKINLEY DIRKSEN

OF ILLINOIS

IN THE SENATE OF THE UNITED STATES

Wednesday, September 27, 1961

Mr. DIRKSEN. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD a foreword and press statements for the joint Senate and House Republican leadership.

There being no objection, the foreword and statements were ordered to be printed in the RECORD, as follows:

FOREWORD

The 1st session of the 87th Congress witnessed a Republican innovation in leadership that had a very unifying effect. The origins of the idea rest with former President Dwight D. Eisenhower.

Early in January 1961, a short time before the end of his administration, President Eisenhower summoned to the White House the Republican Members of Congress who had regularly attended his Tuesday morning congressional leadership meetings. For the Senate: EVERETT MCKINLEY DIRKSEN, Republican leader; THOMAS H. KUCHEL, whip; STYLES BRIDGES, chairman of the policy committee; LEVERETT SALTONSTALL, chairman of the conference. For the House: CHARLES A. HALLECK, Republican leader; LESLIE C. ARENDS, whip; JOHN W. BYRNES, chairman of the policy committee; CHARLES B. HOEVEN, chairman of the conference; CLARENCE J. BROWN, ranking Republican member of the Rules Committee. Also regularly present: THRUSTON B. MORTON, chairman of the Republican National Committee (succeeded as national chairman by WILLIAM E. MILLER on June 10, 1961).

President Eisenhower pointed out that on January 20 the White House would cease to be the policy voice for the Republican Party and that historically this function had devolved on the Republican leaders of the Senate and the House in their respective capacities when the party was out of power.

After a general discussion, President Eisenhower summed up the conclusions as follows:

1. The Republican leaders of the Senate and the House would form a joint group, to be known as the Joint Senate-House Republican Leadership, with the chairman of the Republican National Committee to act as presiding officer, to hold meetings approximately once a week, after which the Senate and House Republican leaders, as spokesmen, would hold a joint press conference for the newspaper, periodical, TV and radio correspondents.

2. When desirable, other appropriate GOP leaders would be invited to meet with the Joint Senate-House Republican Leadership.

3. For the purpose of coordinating the effort, stimulating research, and carrying out other administrative duties, President Eisenhower suggested the joint leadership be provided with a staff.

The innovation here was the decision to set up a "joint" Senate-House leadership. The obvious advantages of this leadership mechanism were (a) the opportunity for the Senate and the House Republican leaders to speak in a unified voice on Republican policy positions, and (b) the opportunity to resolve different points of view that might exist between the legislative bodies.

The first meeting of the Joint Senate-House Republican Leadership occurred on January 24, followed by meetings on February 2, February 9, February 16, February 23, March 2, and March 9. Meantime, a staff consultant was retained and, as a result of the experience gained in the first few weeks, an effort was made to give the meetings a more formalized voice. This led to preparation at the meetings of formal statements to be issued at the press conferences before submitting to questions from the correspondents.

Thus from the leadership meeting of March 23 forward a record of formal statements was kept. They appear here arranged by subject matter, under such headings as "The Berlin Crisis," "Tractors for Cuba," "Conduct of Foreign Affairs," "The Threat of Inflation," etc. Also included are two evaluations of the leadership meetings written near the end of this session of Congress by two noted Washington columnists, Peter Edson of the Scripps-Howard Alliance and Kenneth Crawford of Newsweek.

It should be noted that the members of the joint leadership met in Washington on March 9 with Senator Barry M. Goldwater, on April 20 with former Vice President Richard M. Nixon, and on May 1, in Gettysburg, with former President Dwight D. Eisenhower.

Senator Dirksen and Representative Halleck had additional meetings with General Eisenhower on July 10, with Gov. Nelson A. Rockefeller on September 11, and again with General Eisenhower on September 12.

[From the Washington Daily News, Sept. 7, 1961]

THE "EV AND CHARLIE" RECORD

(By Peter Edson)

With Congress about to adjourn, the regular weekly press conferences of the two Republican leaders, Senator EVERETT M. DIRKSEN, of Illinois, and Representative CHARLES A. HALLECK, of Indiana, may be suspended for a few months.

No GOP decision has yet been made on what if anything will take their place during the congressional recess.

Democratic scoffers claim that this "Ev and Charlie" act, as it has been dubbed, will never be missed.

But there is some opinion among Republicans that the Dirksen-Halleck commentaries have been effective, have influenced policy and congressional votes, will be resumed next year. A recap of their criticisms reveals these points:

They blasted any moves to let Red China be admitted to the United Nations. A congressional resolution was passed almost unanimously, opposing any such policy.

They blasted the "two Chinas" policy. It was repudiated.

They blasted the move to recognize Outer Mongolia. The Kennedy administration backed up the idea.

They blasted the proposed swap of U.S. tractors for Castro prisoners held in Cuba. The deal fell through.

They opposed "back-door financing" for long-term foreign aid. They won. Congress cut the authorization and approved financing by annual appropriation.

They called attention to the increase of U.S. export licenses for trade with Russia. They are being reduced.

Many of these reversals of Kennedy policy were effected with strong support from conservative Democrats.

But in general, not even the Democratic leaders are too unhappy about the Dirksen-Halleck pronouncements on foreign policy. They backed up President Kennedy after the Cuban invasion fiasco. They have consistently backed him on the Berlin crisis. Their effort has been to stiffen the President's stand. They supported his defense buildup.

There has been little carping at President Kennedy himself. But top members of his official family have been singled out for criticism:

Ambassador Averell Harriman for indicating that a neutralist government in Laos might be headed by Souvanna Phouma.

Under Secretary of State Chester Bowles for saying that if India was attacked from any source, U.S. help would be there the next morning.

Ambassador Adlai Stevenson for voting with Soviet Russia against Portugal on Angola.

Senate Majority Leader MIKE MANSFIELD for advocating the establishment of a free city in Berlin.

Senator DIRKSEN and Representative HALLECK themselves have not been above such mistakes. Several times they have advocated resumption of nuclear testing by the United States. In view of the bad reaction to Russia's announcement of its intention to resume testing, it is good the United States didn't take this step first.

On domestic issues the Dirksen-Halleck pronouncements have followed the more traditional Republican line.

[From Newsweek, Sept. 18, 1961]

THE LOYAL OPPOSITION

(By Kenneth Crawford)

President Kennedy is indebted to Republican leaders for the support he has received from them, overt and covert, at the session of Congress now approaching its close. The administration's legislative record, impressive despite recent reverses, couldn't have been compiled without them. The debt will never be acknowledged, not because the President and his associates are unappreciative, but because payment would embarrass the creditors as much as the debtors. With congressional elections in the offing, the fiction that the two major parties represent two wholly different and irreconcilable political concepts must be preserved. Custom demands it.

The weekly press conference conducted by Senate Minority Leader DIRKSEN and House Minority Leader HALLECK—the so-called Ev and CHARLIE shows—have been artistic performances in their way. The two old troupers have contrived to be critical of the administration in what they have said while upholding its major foreign policies and the legislation necessary to carry them out in what they have left unsaid. The result has satisfied both the emotional Republicans, who are entertained by partisan gibes at the opposition, and the more sophisticated party men, who like to make a record for the next campaign but understand what the President and the country are up against in Berlin and elsewhere.

TEMPTATION RESISTED

In the area of foreign aid, Republican leaders have been nothing less than gallant. They know, as every politician knows, that this item is hard to sell the voters. It would have been easy for them to build demagogic fires against it even before Nehru and Tito, both beneficiaries of U.S. aid, made it easier by their pusillanimous behavior in Belgrade. The temptation for the out party to capitalize on latent isolationism must have been all but irresistible. Yet the minority leadership resisted it.

DIRKSEN and HALLECK opposed back-door spending, insisting that Congress retain the power of the purse by appropriating aid money each year to take care of that year's needs, but at the same time supported long-range project planning. Having achieved this compromise, they joined in the effort to give the President most of the money and authority he wanted. At one critical point, HALLECK led a contingent of Republicans through a teller line in the House to save a piece of military-aid money from Representative PASSMAN, the anti-foreign-aid chairman of the subcommittee in charge of foreign-aid appropriations.

PLANNED POLICY

All this moved one of the highest ranking Democrats in the Capitol to declare DIRKSEN and HALLECK "as responsible and patriotic men as we've ever had in command of a party up here." Deserved as this praise may have been, the Republican leadership's stand on foreign aid can't be attributed solely to noble impulses spontaneously generated in the breasts of Ev and CHARLIE. This and other positions of the minority have been carefully formulated at closed meetings of the joint Republican congressional policy committee, which was created at President Eisenhower's suggestion just before he left office and which has been influenced by him ever since.

So it is no coincidence that GOP leaders in Congress practice what Ike preaches. They have supported, besides big foreign aid, all Mr. Kennedy's military-spending programs. They have been restrained in their criticism of the administration's failures in Cuba and Laos. When they want to blow off steam, they blow it at Stevenson or Bowles but not at the President himself. They've served notice that they won't stand for admittance of Red China to the U.N. But no Republican leader except GOP National Chairman Miller has charged the administration with appeasement of the Communists in months and he has allowed himself only one such outburst.

On domestic policy, of course, the Republicans, as a party, have been consistently in opposition. But most of the administration's domestic bills have enough constituent appeal to command a few Republican votes and therefore require no organized help from Ev and CHARLIE.

A RECORD OF PRESS CONFERENCE STATEMENTS

THE A-BOMB BAN

(By Senator DIRKSEN, May 11, 1961)

It is becoming plain that the United States must reexamine its position with respect to the interminable negotiations on nuclear testing which have been conducted at Geneva since October 31, 1958. There now have been 296 negotiating sessions hinging largely on the question of inspection if a ban on nuclear testing is reached.

With the installation of the Kennedy administration in January this Nation dispatched to Geneva an offer of seven substantial concessions to Russia. Even before these concessions could be announced, the Soviets announced they were retreating from two agreements which had been obtained in previous years. Then, having heard our concessions, the Russians accepted only two of them and balked at the rest. Negotiations since then have been uniformly described by the Western delegates as nothing less than "depressing."

It is perfectly apparent that the Soviets are not negotiating: they are conducting a monumental stall. Because underground nuclear tests cannot be detected, this leaves the Russians free to continue this kind of testing if they wish while we have suspended our own efforts in this field.

On October 9, 1960, during the presidential campaign, Mr. Kennedy asserted that "when I am elected I will direct vigorous negotiation" in Geneva, and added significantly:

"I intend to prescribe a reasonable but definite time limit to determine whether significant progress is being made."

In view of the notable lack of progress to this date, we feel that in the interest of arriving at some discernible conclusion, President Kennedy should now fix a time limit and so notify the Russians. We feel that this is not only essential to American prestige but will make clear to the world the true intent of the Soviet Union.

(By Representative HALLECK, June 8, 1961)

A month ago the joint Senate-House Republican leadership suggested that President Kennedy fix a time limit on the interminable negotiations on nuclear testing which have been conducted at Geneva since October 31, 1958. We stated we felt this was not only essential to American prestige but necessary so the world will realize the Soviet Union does not want to reach an agreement. Two nights ago President Kennedy in his report to the Nation on his European trip made it clear that he could not discover during his conversations with Khrushchev a single ray of hope for adoption of a nuclear treaty.

There now have been 317 negotiating sessions at Geneva hinging largely on the issue of inspection if a ban on nuclear testing is reached. The question is: How much longer must America submit to this persistent Soviet stalling?

We know that we have conducted no nuclear testing in this country since 1958. But we have absolutely no evidence that the Russians are not conducting such tests because underground nuclear testing cannot be detected.

We insist that we can no longer take the chance that the Soviet Union will perfect its nuclear weapons while we forgo improving ours during interminable meetings at Geneva.

It is now common knowledge that the Russians intend to seek transferral of the

nuclear testing negotiations to the agenda of a general disarmament conference, thus junking the Geneva effort. If talks for 2½ years on a single phase of armaments are fruitless, how many more years will we have to live with the possibility the Soviet Union is secretly testing while we risk both our national security and world peace at another conference table?

We believe the United States has been extremely patient in view of the gravity of the issue and we respectfully urge the President to set a deadline on the negotiations and so notify the Soviet Union.

(By Representative HALLECK, August 15, 1961)

For many months it has been evident that the nuclear test ban negotiations at Geneva have been a waste of time and that we have been jeopardizing our own national security by continuing our self-imposed suspension of testing.

Twice during these months the Joint Senate-House Republican leadership has raised the question of whether the United States should set a terminal date because it has become increasingly obvious that the Soviet Union has not been negotiating, but stalling.

When these negotiations began 3 years ago there was little doubt we were ahead of the Soviets in nuclear weapons. We know the United States has done no testing during these 3 years. But how about the Soviet Union?

Because there is no present way to detect underground testing, how do we know the Russians have not been testing? How do we know they haven't been stalling to gain time to catch up with us or pass us in nuclear weapons? The answer to both questions is the same: We don't know.

But we do know this: While there is no absolute proof, there does exist enough information to indicate the Soviets have been testing during the negotiations. Further, we can state that this information is known to our highest Government officials. We think action is indicated.

Last week, President Kennedy announced he was sending our negotiators back to Geneva for one more try with the Soviets. We have no objection to this attempt, but we believe it should not be allowed to sandbag the Nation's safety. We say the time has arrived for the United States to resume testing.

We have repeatedly stated that in any meeting with the Soviet Union we must negotiate from strength. In this instance we believe the United States would be in a far stronger position if we resumed testing and insisted that the Soviet Union come to the conference table with a real desire to negotiate instead of stall.

Let us not forget that 3 years of voluntary suspension of tests has produced no results at Geneva whatsoever. Perhaps testing while offering to negotiate might bring all parties closer to the desired objective—a true nuclear test ban.

AID TO EDUCATION ISSUE

(By Representative HALLECK, June 22, 1961)

Mail from over the country indicates a rising tide of opposition to the administration's omnibus bill for Federal intervention in public education, a bill whose major provisions do violence to practically everything the Republican Party has always stood for in this area. This opposition is finding a response in the House of Representatives, since we are answerable to the people who elected us.

We are convinced a vast majority of Americans want to keep the responsibility for public education as close to home as possible. They realize it is inevitable that a Congress which appropriates billions of taxpayer dollars must also police the spending of those dollars.

These citizens, many of them educators, know that States and local communities have been gaining ground, not losing it, in classroom construction, pupil-teacher ratios, and teacher salaries without broadened Federal interference.

We recognize the Government's obligation to help in areas where school needs are aggravated by unusual numbers of children from Government personnel who are not subject to local taxes. This so-called impacted area problem has been handled as separate legislation in the past.

We do not believe the fate of this established program should, or will, hinge on acceptance of the omnibus bill. The Democrat-controlled Congress will not dare let this program die.

But make no mistake about this: the wrangling now going on in the Congress is just a forerunner of what the Nation can expect in future sessions once the responsibility for financing public education, with all its divisive issues, is shifted to Washington from 50 States and thousands of local communities.

(By Representative HALLECK, June 28, 1961)

I want to read the text of a communication from President Eisenhower which is in response to a letter I wrote him regarding aid to education:

"DEAR CHARLIE: I appreciate having the material you furnished me in respect to the pending education bills.

"It is clear to me that in practically every important respect this legislation is sharply at variance with the principles of good government.

"My views on aid to education are well known. Beginning 6 years ago I have advocated Federal help for school construction to replace shortages brought about by war and the depression of the thirties. However, I have always stressed, first, that such legislation be made temporary; second, that it be pinpointed to actual need; third, that there be State matching of the Federal funds; fourth, that no Federal funds be used for such operational expenses as teacher salaries; and fifth, above all else, that we meticuously avoid Federal control of education.

"I fail to find convincing evidence that these imperatives have been met. Indeed, I can only conclude that if this legislation were enacted, it would not only become permanent but also, by natural progression, it would ultimately result in Federal control of education. So believing, I am convinced that this legislation should be rejected.

"DWIGHT D. EISENHOWER."

THE BERLIN CRISIS

(By Senator DIRKSEN, July 27, 1961)

The greatest hazard in the Berlin situation is the possibility of miscalculation by the Soviet leaders. There are two areas of error into which Premier Khrushchev might fall:

(1) A mistaken notion that because American officials differ among themselves, and because Democrats and Republicans criticize each other, there is no real will to defend freedom so far as America is concerned.

(2) A mistaken belief that the United States will not go all the way—i.e., to nuclear warfare—to meet its commitments in Europe.

Let's set the record straight.

As to the first point, let it be clearly understood that President Kennedy has the complete support of the Republican leadership in Congress in the Berlin crisis. If differences should appear, they would be on how to uphold our Berlin commitments, not whether to uphold them. We are all aware that the issue is not a city named Berlin, but free world unity.

As for the second point, no greater error could be made by Khrushchev than to believe that the United States would point a weapon but not be willing to fire it.

In 1958, in an almost identical crisis on Berlin, President Eisenhower somewhat puzzled people by saying that the United States would not fight a ground war. But Mr. Khrushchev was not puzzled. He knew what President Eisenhower meant—that we'd fight a nuclear war.

There was also a message for Mr. Khrushchev in President Kennedy's address to the Nation Tuesday night. The bulk of the President's request for additional defense expenditures was for expanded ground forces and plane and sea lifts. Nothing was said about need for money for our total strategic striking force—our supersonic planes, our missiles, and our nuclear warheads. The meaning is plain. In that vital segment of our defense, we are ready.

Of course, Congress will want to review the number of ground forces requested and the use contemplated for them. But I think Mr. Khrushchev is going to find the conference table more attractive on the Berlin issue than he has previously indicated.

CONDUCT OF FOREIGN AFFAIRS

(By Senator DIRKSEN, March 23, 1961)

This country's representatives in the United Nations, headed by Adlai Stevenson, apparently are embarked on a new diplomatic course that should be clarified by President Kennedy at his earliest convenience.

Last week our NATO partners were dismayed to discover the United States joining with the Soviet Union in voting against Portugal, one of the most faithful of our allies.

The question at issue was a resolution urging internal reform in Angola, a Portugese colony near the Congo. The nature of the resolution itself was valid grounds for the U.S. questioning the whole procedure because article 7 of the United Nations Charter specifically forbids inquiring into internal matters.

Despite this we deliberately sided with the Soviet Union and only the action of Britain, France, and other NATO nations resulted in rejection of the resolution. Incidentally, it marked the first time in the history of the United Nations that our country was paired with the Soviet Union on a losing issue before the Security Council—hardly a proud moment for Uncle Sam.

We, of course, realize that American sympathy and support must continue to go to the nationals in colonized areas, but we are convinced there are many avenues preferable to affronting our own allies.

We have been advised that the decision to side with the Soviet Union was made by President Kennedy himself. We feel an explanation is due the American people and our allies.

(By the joint Senate-House Republican leadership, May 29, 1961)

Like all Americans, we, the members of the joint Senate-House Republican leadership want President Kennedy to succeed in his Vienna meeting with Premier Khrushchev 6 days from now.

In June 1960 President Kennedy, then a Senator, laid down certain minimal conditions that should exist before a conference should be agreed to. Mr. Kennedy said:

"Our task is to devise a national strategy—based not on the 11th hour responses to Soviet-created crisis—but a comprehensive set of carefully prepared, long-term policies designed to increase the strength of the non-Communist world. Until this task is accomplished, there is no point in returning to the summit—for no President of the United States must ever again be put in the position of traveling across the seas, armed only with vague speculative hope."

These were Mr. Kennedy's words to the U.S. Senate on June 14, 1960. In the campaign, he made it clear repeatedly that a completely worked out agenda was another minimal requirement.

It is obvious that President Kennedy is going to meet with Premier Khrushchev at

a time when none of the minimal conditions he suggested exist. Certainly no "comprehensive set of carefully prepared, long-term policies" is yet in evidence. Neither is our position strengthened by the setbacks we have suffered in Cuba and Laos, or by the lack of enthusiasm here in the United States for the Vienna meeting.

We do not know what prompted President Kennedy to agree to the Khrushchev conference but we have certain observations about it which we, the members of the joint Senate-House Republican leadership, want to make.

1. The prime reason why negotiations between the Soviet Union and the United States have almost always ended in failure is that the Soviets are negotiating for world domination while we have been negotiating for world peace. These are two completely incompatible objectives. They have destroyed all hope of progress. We think the President should put Mr. Khrushchev on notice that there will be no further substantive negotiations by the United States with the Soviet Union until there is evidence by the Soviets that when they speak of their desire for peaceful coexistence, there be tangible evidence of their good faith.

2. Almost equally destructive to the basic negotiating process has been the always-present Soviet tactic of endless stalling, hairsplitting, recessing, and postponing. Negotiations have been used by the Soviet Union principally to gain time. The President should inform Mr. Khrushchev that such Soviet stalling will no longer gain the Soviet Union time, but torpedo the negotiations forthwith. Again it should be emphasized that only good faith can bring us to the conference table.

It should be self-evident that so long as the Soviet Union adheres to its goal of world domination its talk of peaceful coexistence means nothing. It should be made clear to Mr. Khrushchev that we fully realize this and that until there is a real basis for negotiations, none will be attempted.

(By Senator DIRKSEN, June 8, 1961)

We are gratified that President Kennedy's trip to Europe appears to have had a beneficial effect on the free world alliance, particularly the NATO nations. Before the President Kennedy's departure we expressed our hopes for success in the meeting with Khrushchev. We believe the fact that nothing happened at Vienna is in itself some sort of achievement.

Nevertheless, we are disturbed by some of the impressions brought back to America by President Kennedy. For example: The President in his address to the Nation 2 nights ago declared that the Soviets and ourselves give wholly different meanings to the same words, have different views of right and wrong, and wholly different concepts about the future of the world.

We think President Kennedy's words are extremely significant.

Before the President's departure we suggested that Mr. Khrushchev should be put on notice that the United States would engage in no further substantive negotiations with the Soviet Union until there was tangible evidence of their good faith.

President Kennedy's own observations concerning the lack of communication between the Soviet Union and the United States in any conference is the strongest argument we have heard that Soviet words mean nothing and that we must insist on concrete demonstrations of good faith.

The President had no sooner completed his address to the American people 2 days ago when we were given another demonstration of this truism. The President told the American people that the only prospect for an accord with Mr. Khrushchev was their agreement that there should be an effective cease-fire in Laos. Yesterday, the Communist forces in Laos virtually doubled their active warfare.

It is beyond dispute that the only thing the Communists understand is strength. It is clear that what we now need is leadership of the type demonstrated by President Eisenhower in Iran, Lebanon, Quemoy-Matsu, Guatemala, and other areas. We suggest that instead of spending our energies in planning further negotiations we devote our resources to vigorous moves which the Kremlin will understand. We feel certain the President will have the support of all Americans if he chooses such a course.

(August 15, 1961)

As we move toward a showdown on Berlin it becomes increasingly important for this Nation's officials to speak with one voice of strength and determination.

As members of the joint House-Senate Republican leadership we have tried to avoid statements that would in any way weaken America's negotiating position with Communist nations. We feel it is doubly important for leaders of the party in power to do likewise, for on them rests the responsibility for policy.

We can only wonder what the world thinks when President Kennedy correctly announces we are going to stand firm on our Berlin commitments only to have important Democratic spokesmen make statements which are at variance with that policy.

The Democratic leader of the Senate has proposed that Berlin be declared a free city in contradiction to the President's position. Two weeks ago, the Democratic chairman of the Foreign Relations Committee, Senator FULBRIGHT, declared that he thought closing the refugee escape hatch from East Germany into West Berlin was a negotiable point because, as he put it, "The Russians have the power to close it in any case." It seemed like an invitation to close it, so last Sunday they did.

There have been other questionable statements by prominent administration spokesmen in other areas of diplomacy. Six weeks before negotiations even began on Laos Mr. Kennedy's Ambassador at Large, W. Averell Harriman, said in a TV interview that we would accept a coalition government, and there should be a place in it for the Soviet favorite, Souvanna Phouma.

Statements like these just cited invariably produce two disastrous results: (1) they weaken the bargaining position of the United States, and (2) they dismay our friends and our allies by a display of contradictions and confusion.

In these critical times why should responsible officials of Government, both legislative and executive, utter inconsistent opinions and statements which convey the impression of weakness and irresolution?

(See supporting data below:)

On April 2, W. Averell Harriman, President Kennedy's Ambassador at Large, just returned from a critical visit to the Far East on the Laos problem, was interviewed on television by Senator KENNETH B. KEATING, of New York. Harriman, despite the unbroken string of Communist triumphs resulting from coalition governments, declared "to start off with * * * I think (the Laos Government) has to be a coalition government." Harriman added that he thought the Soviet favorite, Souvanna Phouma, is "a factor that has to be dealt with, and I think he should be in any government."

On June 14 on the Senate floor, Senate Majority Leader MANSFIELD proposed "the creation of a free city which embraces all Berlin * * * (to) be held in trust and in peace by some international authority until such time as it is again the capital of Germany. Let the routes of access * * * be garrisoned by international peace teams * * * I make these suggestions * * * as one Senator from the State of Montana, and I make them on my own responsibility."

On Sunday, July 30, Senator FULBRIGHT was interviewed on ABC "Issues and Answers" and was asked if he thought closing the refugee escape hatch into West Berlin would be a negotiable matter. FULBRIGHT replied, "Well, I think that that might certainly be a negotiable point. The truth of the matter is, I think the Russians have the power to close it in any case. I mean we are not giving up very much, because I believe next week if they chose to close their borders, they could, without violating any treaty right I know of. We have no right to insist that they be allowed to come out. As I said, I don't understand why the East Germans don't close the border, because I think they have a right to close it. So why is this a great concession? You don't have that right now."

(By Senator DIRKSEN, August 24, 1961)

At our press conference last week, we protested against what we considered free-wheeling remarks and proposals from Democratic leaders in the administration and in the Congress that have the effect of weakening the bargaining position of the United States in critical negotiations with the Soviet Union. In this respect we would like to direct attention to the Under Secretary of State, Mr. Chester Bowles.

When inducted into office, he was widely hailed as a No. 1 "idea man" in foreign relations for the New Frontier. In the 8 months that he has enjoyed this role he has been credited in the press with urging our U.N. vote with the Soviet Union against our ally Portugal on the Angola question, advocating recognition of Communist Outer Mongolia, and authorship of the so-called two Chinas concept which has caused our Asiatic allies to wonder if we are changing our minds on Red China's admission to the U.N.

Two weeks ago, Mr. Bowles achieved a fresh pinnacle as the No. 1 "idea man." In New Delhi he told a press conference that if India were attacked, help from the United States would be there "the following morning" whether the aggression came from India's neighbors or "any source whatsoever."

Now this is probably the first time the formulation of a military alliance was ever attempted in a press conference—and, I might add, without referral to the executive and legislative branches of the U.S. Government which has no military pact with India. In fact Prime Minister Nehru was so shocked he felt compelled to tell the Indian Parliament a week ago today that while he thought Mr. Bowles meant well, "we are not under anybody's protection, nor are we anybody's client in this respect."

We know that Mr. Bowles was recently scheduled to be fired but was not. We do suggest, however, that he either (1) be completely muzzled, or (2) be removed from the china shop of diplomacy lest he break something really costly.

TRACTORS FOR CUBA

(By Senator DIRKSEN, May 26, 1961)

While the President is entitled to bipartisan support where national security is involved it does not mean that we must remain mute when conviction dictates that we must speak out in the interest of security.

The disastrous handling of the Cuban invasion has caused America to suffer an enormous loss in prestige abroad. But now President Kennedy has compounded that loss by disclosing his official sponsorship of a so-called citizens movement for the American people to make blackmail payments to Fidel Castro.

What kind of precedent is this? What logic supports this decision? What has become of America's legendary position "millions for defense, but not one cent for tribute"?

Of course, every American commendably hopes that another Castro bloodbath—this one involving the 1,200 invaders of Cuba—can be avoided.

But what is the price—$15 million worth of tractors? No. It is far greater than dollars and tractors. The price is another loss in prestige; another blow to our fast diminishing world leadership.

What new humiliation will this decision encourage the Communists to visit upon us? Are we not inviting Red dictators behind the Iron and Bamboo Curtains to demand ransom for Americans they now hold?

The ransom money for Castro supposedly is being raised to further the cause of "liberation." But it is far more likely to do untold damage than good to the cause of liberation both inside and outside Cuba. Paying tribute to tyrants is as old as history, but it has never advanced the cause of freedom before and it won't this time.

(By Senator DIRKSEN, June 22, 1961)

The tractor-prisoner negotiations with Castro now appear doomed to be our Cuban fiasco No. 2. The handling of the Cuban invasion was a disaster in itself, but this tractor project is an incredible piece of business.

First, the administration claimed it had nothing to do with a suddenly created citizens committee to raise money to meet Castro's blackmail demands. Two days later the White House reversed itself and revealed that President Kennedy himself had initiated the movement.

Next, the whole project was immersed in doubt as to legality, there being four areas in question—its corporate charter, its right to export licenses, its possible conflict with the Logan Act, and the tax deductibility of any money collected.

If there has been doubt about the thoroughness with which the invasion plans were considered by the administration, it should be plain to all that even less thought went into the administration's handling of the tractor deal. It was a stumbling performance that has only resulted in further lowering our prestige abroad.

It is to be hoped that the fundraising committee will quietly dissolve, returning the unopened contributions to their senders before some new embarrassment occurs.

We suggest there is a course open to the administration in the future that might do much to get our foreign policy back on the beam. It would be to consult the appropriate leaders of Congress in advance, a course followed by President Eisenhower during his 8 years in the White House.

The tractor project certainly could have been avoided had this been done, because leaders on both the Democratic and Republican sides of the Senate had already gone on record against the proposal 2 days before the White House authorship was even known.

AID TO DEPRESSED AREAS

(By Representative HALLECK, March 23, 1961)

We are very disturbed about the depressed areas bill which is coming along for consideration shortly, because we are convinced the unemployed in those areas have been sadly misled as to what it will accomplish. We are sick and tired of seeing these unfortunate people being treated like a political football.

Mr. Eisenhower sought desperately in both 1958 and 1960 to help areas of chronic unemployment, but the Democrats in Congress were more interested in creating campaign issues than in meeting a need. Now they have the ball and the bill they are presenting to the House simply won't do the job.

For example, our House policy committee analysis shows these facts:

(1) Only about 1 out of 17 unemployed workers in industrial depressed areas could get jobs under this legislation.

(2) Only about 1 out of 37 underemployed workers in rural areas would be helped.

(3) Only about 1 percent of unemployed workers in both industrial and rural areas could get retraining payments.

Enactment of the bill in its present form is bound to bring bitter disillusionment to the unemployed in these depressed areas.

The only redeeming feature we see in this legislation is the acceptance by the House managers of four important features urged by President Eisenhower, including the vital provision to prevent one community stealing industry from another, with Government help.

Our policy committee is already on record favoring accelerated tax amortization to promote new plant construction and job markets in these distressed communities. This is the most potent weapon in our fight against unemployment.

FEED GRAIN AND FARM PROGRAMS

(By Representative HALLECK, April 13, 1961)

Although the Kennedy administration has only been in office 2½ months, the American farmers are already losing millions of dollars as a direct result of the administration's determination to force feed grain prices down by dumping huge stocks of Government-owned grain on the market.

The dumping program has been going on for a month. For example: No. 2 Yellow corn fell below $1.05 per bushel in Chicago at one point, a drop of nearly 15 cents in 2½ weeks and the sharpest market decline in 13 years.

Because corn is king in the grain market and affects other grains, the whole market has been depressed, with substantial drops in wheat, oats, and barley at a time when normally there is an upturn in prices.

Despite the fact that Congress in February specifically refused to give the new administration authority to dump, and had the pledge of Secretary of Agriculture Freeman that his would not be done, the dumping is going on nevertheless. The farmers' pocketbook is being squeezed to the tune of at least $100 million loss in market values. The Kennedy administration is determined to force farmers to participate in what was supposed to be a voluntary reduction in acreage under the newly enacted emergency feed grain law. To do this they are rigging the market, a practice the Government itself deplores and prosecutes when undertaken by private enterprise.

Not only are farmers being penalized through lower prices for the grains they market, but, even more important, the cheap feed policies of the Kennedy administration will certainly encourage unsound expansion of the livestock industry. The results of this folly will not be fully apparent for a time, but by the fall of 1962 it is likely that hog, cattle, and poultry prices will decline disastrously.

This market manipulation is being performed in defiance of Congress The administration must bear full responsibility for the consequences which are sure to follow.

(By Senator DIRKSEN, September 15, 1961)

If there is one thing the Kennedy administration has clearly demonstrated this year, it is that it has no sympathy or understanding for the farm problem.

In 8 months the administration, despite a specific pledge to the Congress not to do so, has dumped over 230 million bushels of corn on the market compared to less than half that much in the corresponding period of a year ago. The loss to farmers in depressed prices has run into the millions and millions of dollars.

In addition, the so-called corn program which was to retire 20 million acres of cornland from production this year actually failed to do so by more than 4½ million acres, yet the Government paid the full price of $680 million. This means that $150 million of that money went for phantom acres that either did not exist or were never planted in corn, anyway.

But that is not all. This multimillion-dollar program was supposed to create a 700-million-bushel shortage of corn. It has failed to do so. In fact, it now appears that production and marketing figures will be approximately in balance.

This means that there will be the equivalent of a 700-million-bushel overhang on next year's market which promises to be as dismal for the farmer—and the taxpayer—as this year's market.

But the damage has not been confined to the feed grains market. The livestock, poultry, and dairy industries, as users of feed grains, have been thoroughly disrupted. Their losses, due to depressed prices, have also run into the millions of dollars. Now we have a special committee of the House investigating the drop in poultry prices.

In other words, the maladministration of this program has not only placed heavy losses on the American farmer but on the American taxpayer as well, and the end is not in sight. In fact, it is not too much to venture that we will be feeling the ill effects of this botched job for years to come.

THE HANFORD PROJECT

(By Representative HALLECK, August 2, 1961)

We are convinced that the people of this country want their Government to put national security above partisan political considerations.

We realize that the Kennedy administration made a lot of political promises in its 1960 campaign. These promises have already increased the cost of government on the homefront by billions of dollars. But we must never forget that we can spend ourselves to destruction without a shot being fired. This is what Mr. Khrushchev wants.

If President Kennedy really wants to make a start on economy, we have a suggestion.

Right now the Congress can save $95 million by rejecting the proposal to use the plutonium reactor at Hanford, Wash., to create electric power at a substantial loss to the taxpayers. This project will not only operate at a loss, but it will also increase the cost of the basic operation of the installation, which is making plutonium.

Military and scientific experts say it will add nothing of significance to our national defense or our production of nuclear energy.

Moreover, it contradicts the depressed areas legislation we passed earlier this year to help keep industries at home and revive ailing ones, notably the coal industry. We understand and sympathize with the position of the United Mine Workers and the coal industry in opposing this project.

Here is an example of the Federal Government spending money to lose money. A solid majority of the House of Representatives has already rejected this project decisively and will do so again if given the opportunity. We urge the Kennedy administration and the Democratic leadership in the Congress to support us in our efforts to hold down unnecessary spending for programs that just don't contribute to our national defense—or our economic strength—in an hour of peril.

(NOTE.—For further reference to the Hanford project, see the statement by Representative HALLECK under "Spenders," Aug. 31, 1961.)

THE THREAT OF INFLATION

(By Representative HALLECK, September 15, 1961)

As we approach the end of this session of Congress—already the greatest spendthrift Congress in history—the evidence accumulates that the Kennedy administration is going to seek even greater spending next

year. Economic writers are already predicting that a recordbreaking $90 billion peacetime budget will be presented to the Congress in January.

Recognizing, as we have, the need for additional national defense spending, the members of the joint Senate-House Republican leadership have repeatedly gone on record this year favoring the utmost economy in so-called domestic spending in a budget that originally was estimated at $80 billion by President Eisenhower and already has risen to $87 billion under President Kennedy.

Now, if a $90 billion budget is in prospect, the whole fiscal problem becomes something far more serious than just an additional burden on the taxpayers. It presents a threat of inflation that simply can't be ignored.

We saw the cost of living rise 48 percent under the last Democratic administration, due mainly to the loose fiscal policies of President Truman. Then we saw the cost of living stabilized by the Eisenhower administration because every effort was made to hold Government spending strictly to essentials.

We think the American people now have the right to ask whether or not the value of their dollar is again going to be reduced because we have the spenders back in office. We think there can be only one answer: If the Kennedy administration seeks, as it must, the vast amounts necessary for national defense and at the same time insists on additional billions for New Frontier schemes, then prices are going up and the value of our dollar down.

Additional defense spending necessitated by the Berlin crisis has already increased the tempo of the national economy. We say that reductions in proposed domestic spending are absolutely essential lest our whole economic structure be again subjected to the depleting effects of an inflationary cost-of-living spiral which, in the final analysis, does its greatest damage to those people least able to stand it.

TRADE BEHIND THE IRON CURTAIN

(By Representative HALLECK, August 24, 1961)

On several occasions we have applauded President Kennedy's efforts to stand firm on our Berlin commitments, while we condemned the State Department's contradictory flirtations with U.N. recognition of Red China and Communist Outer Mongolia.

We think that there is another department of the Government which is contributing to confusion almost as much as the State Department—the Department of Commerce, which controls American exports to the Soviet Union and its satellite countries.

According to the Commerce Department's own records, the dollar volume of U.S. goods licensed for shipment to the Soviet bloc increased 800 percent in the 3 weeks after President Kennedy's address to the Nation on Berlin compared to the preceding 3 weeks. These licenses covered such items as railroad equipment, synthetic rubber, chemicals, and other materials which the Commerce Department ruled would not increase the warmaking potential of the Soviet bloc.

In June, the Commerce Department took another amazing step. Despite the fact that Communist food shortages were causing Khrushchev to recommend eating horsemeat, the Department announced that surplus farm commodities, subsidized by the U.S. taxpayers, would be sold to the Soviet Union and its satellites if they would pay in dollars.

As recently as 3 weeks ago export licenses were being OK'd for shipments of American-manufactured ball bearings and machine cutting tools to the Soviet Union, and aircraft ground and maintenance equipment to Communist Czechoslovakia.

Yesterday the House Rules Committee reported a resolution for a House investigation of the administration and enforcement of the laws covering control of exports. We Republicans will support the resolution, but we suggest that President Kennedy meantime consider strict curtailment of export licenses on shipments to the Soviet bloc until a policy in line with our Berlin stand can be worked out with the Commerce Department.

A LEGISLATIVE REPORT TO IKE

(By Senator DIRKSEN following a meeting of the members of the Joint Senate-House Republican leadership with former President Eisenhower, May 1, 1961)

When General Eisenhower invited us to meet with him here in Gettysburg, he asked that Congressman HALLECK and I brief him on the congressional picture. We have just completed that task and I imagine you would like to know what we told General Eisenhower.

Of course, because the Senate is concerned with foreign policy, I had to touch on Cuba in my report to him. We told General Eisenhower that Members of Congress on both sides of the aisle were badly shaken by the Cuban matter.

I took some pride, however, in relating, that Republicans have supported President Kennedy in the Cuban crisis, in the belief that once a nation is committed by its President, we must present a united front to the world.

As to the Kennedy program in Congress, we pointed out that we had already received more than 35 legislative communications and messages; in fact Congress has been inundated with them. But I had to report in all honesty to General Eisenhower that not one of the Kennedy proposals has generated any enthusiasm on either the Democratic or the Republican side nor can we find any evidence of real support for the Kennedy program by the American people.

Now the Kennedy program is just what everyone expected—deficit spending, increased Government controls, increases in the Government payroll, more welfare statism—that inevitable price which we must pay the piper—eventually more taxes.

It may be called the New Frontier but the Kennedy program is the old New Deal taken out of an old warming over. It was hot stuff 25 years ago but time has passed it by.

I think that is why the Kennedy program has not found ready acceptance to date with both the Congress and the public and I so advised General Eisenhower.

(By Representative HALLECK, May 1, 1961)

I was in agreement with Senator Dirksen in telling General Eisenhower that the Kennedy program has laid a big egg so far. I think it has just about talked itself to death.

We had some research done on the word content of the New Frontier. My friends, if all the New Frontier words were drops of water, we could irrigate the entire Far West with enough for the Gobi and Sahara Deserts too.

Mr. Kennedy used more than three-fourths million words in 1960 campaign speeches. His Government task force reports and 35 communications to Congress have added up to another 250,000 words. This brings the verbal output of the New Frontier to 1 million words and all we have to show for it so far are an extended Unemployment Compensation Act, a feed-grain statute, an extension of the Sugar Act and a depressed areas law.

The quality of the legislative proposals from the White House so far has hardly been worthy of the 1960 campaign speeches which President Kennedy made. We have seen no legislative proposals which would deal in any lasting way with economic or unemployment problems; no policy utterances that might be raising our prestige abroad.

It was with some pleasure we advised General Eisenhower that on many things on which the Democrats had disagreed with him last year they now agree—for example, the amount of immediate increase in minimum wages, a number of provisions in the depressed areas legislation, including industrial raiding, and, most remarkably, personal diplomacy. Evidently, when they have to be responsible for what they do, they see more nearly eye to eye with General Eisenhower.

In conclusion, I frankly told General Eisenhower that the American people certainly missed his wisdom and sure hand in Washington and if he ran for President tomorrow he would win by the biggest landslide in history. I think he liked that.

THE RED CHINA AND OUTER MONGOLIA QUESTIONS

(By Senator DIRKSEN, April 13, 1961)

The joint Senate-House Republican leadership has been very concerned about persistent rumors that our Government's position on the admission of Red China to the United Nations is softening.

Yesterday the Associated Press carried a story from London to the effect that President Kennedy in his discussions last week with British Prime Minister Macmillan had agreed not to oppose U.N. debate next fall on Red China's bid for a seat, and, further, that a revision in American policy was underway to condition the American people to acceptance of Red China's admission a year or so hence.

We are most happy that President Kennedy in his press conference later yesterday denied the news story in full. The President said, however, that Prime Minister Macmillan had discussed these proposals with him. We realize that when the head of one government who is our guest has a proposal our President must extend the courtesy of listening to it. But it is very heartening, we believe, to the American people to know that our President did no more than listen.

We want to uphold the hand of the President in his stated opposition to any change in our policy on Red China—as he put it—"under present conditions." Therefore the joint Republican leadership agreed this morning that we will cause to be introduced resolutions restating the opposition of Congress, already recorded 13 times, to any change in our present policy. We will invite Democrats of both the Senate and the House to join in sponsorship of this resolution and we believe that many will be happy to do so. We will also consult with the Democratic leadership of the Senate and House on scheduling consideration of the resolutions at the earliest possible moment and we are convinced they will be adopted overwhelmingly by both branches.

(By Senator DIRKSEN, June 28, 1961)

In April the joint Senate-House Republican leadership called for bipartisan sponsorship of a congressional resolution restating American opposition to admission of Red China to the United States.

Resolutions were introduced in the Congress on May 3—in the Senate by Majority Leader MANSFIELD and myself; in the House by Representatives ZABLOCKI and JUDD of the Foreign Affairs Committee. Joining in the sponsorship were 12 Republican and 3 Democratic Senators and 46 Republican and 20 Democratic Representatives.

Nearly 2 months have passed without action. Meanwhile out of the State Department have been coming distressing stories of a new offer we are considering making on the Red China question.

Supposedly the United States will back an offer that Red China have equal representa-

tion in the U.N. General Assembly with Nationalist China. This is supposed to infuriate Red China which wants the ouster of Nationalist China from the U.N., and therefore Red China will refuse our offer.

However, there is a flaw in this devious State Department reasoning. Nationalist China says it will withdraw from the General Assembly if Red China is admitted. Supposing Red China decided to take advantage of this fact and accepted membership in the General Assembly? Then where would we be? Nationalist China would be out and Red China in.

We are appalled at this dangerous guessing game. Now is no time for the State Department to be playing Russian roulette with our Red China policy.

We insist that now is the time for Senate and House consideration of the resolution opposing admission of Red China to the U.N. Any further delay can only be interpreted abroad as still another sign of American weakness.

(By Senator DIRKSEN, July 13, 1961)

It is the desire of the Republican leadership to support complete firmness in our policy in Berlin. But we must be equally firm on the question of recognition of Red China and Outer Mongolia, otherwise our position in Berlin will be weakened. Let me specify——

On April 12, following discussions in Washington with British Prime Minister Macmillan on the subject of Red China's admission to the U.N., President Kennedy told a press conference he was opposed to any change in our policy on recognition of Red China.

The next day, April 13, Congressman HALLECK and I, as spokesmen for the joint Senate-House Republican leadership, announced our complete support of the President's statement, and invited Democrats in the Congress to join us in sponsorship of resolutions reaffirming the American position on the China question.

Unfortunately, in the 3 months since, these bipartisan resolutions have been bottled up in Congress at the State Department's suggestion, while a flood of news stories has emanated from Washington that the State Department was studying sponsorship of a U.N. resolution admitting Red China.

But that is not all. Concurrently, there have been a number of stories concerning State Department consideration of American diplomatic recognition and a seat in the United Nations for Communist Outer Mongolia. Last Saturday it was announced from Moscow that Outer Mongolia has advised the United States it accepts our proposal for diplomatic ties.

Needless to say, we are deeply disturbed by any efforts that will accord any additional recognition by this country to Communist countries, and doubly so at a time when unity of the free world is of the utmost importance on the Berlin question. We respectfully suggest to President Kennedy that he clarify the situation at his earliest opportunity and we pray that when he does, the State Department's maneuverings in the Far East will be halted and that the President will reaffirm our strongly anti-Communist position in Asia.

(By Representative HALLECK, July 13, 1961)

I want to join Senator DIRKSEN in stressing our deep concern over the State Department's actions in Asia when the attention of all of us should be directed toward Berlin and a rallying of the free world to the Berlin issue.

The continued display of interest by some high State Department officials in the admission of Red China to the U.N. is bad enough, but the sudden emergence of a proposal to recognize Outer Mongolia is simply incredible.

President Kennedy was put on notice about Berlin in his conversations with Khrushchev in Vienna in the first week of June. We are advised that during that week one of our diplomatic officials in Moscow approached Outer Mongolia's Ambassador to Russia and opened discussions on recognition.

Outer Mongolia is the oldest of all the Soviet Union's puppet states having had a Communist regime since 1921. During the crucial 1940's when the Chinese Communists were trying to overthrow the Nationalist Government of China, their base of supplies was Outer Mongolia. In the Korean war, United Nations troops, including American boys, faced two regiments of Outer Mongolian forces and Outer Mongolians also manned antiaircraft guns in the Korean conflict.

It is fair to ask just what Outer Mongolia has done in the interest of world peace to warrant U.S. diplomatic recognition and a seat in the United Nations.

When State Department officials have been called upon in recent days to explain this unbelievable diplomatic sortie, their reasons have been thin indeed. We have been told that we need a listening post in upper Asia. There have been suggestions that only by admission of Outer Mongolia to the U.N. can the African state of Mauritania be admitted.

No wonder our friends in Asia, including Nationalist China, Thailand, Pakistan, and the Philippine Republic, are questioning the sincerity of American policy at this very moment.

We think it is of basic importance for President Kennedy to stop immediately these disruptive State Department operations. The free world is looking to us for leadership in Berlin, not confusion in Asia.

(By Senator DIRKSEN, August 31, 1961)

In 3 weeks the United Nations will meet in New York. Because of the Berlin crisis and the announcement that the Soviets are resuming nuclear testing, we think it is doubly important for the representatives of the United States to exert the strongest leadership possible in the forthcoming sessions. Our success could hinge on two issues—the Red China and Communist Outer Mongolia questions.

Unfortunately, for the past several months, our State Department conducted exploratory moves that led many people to fear both Red China and Outer Mongolia would be admitted to the U.N. without our opposition and perhaps with our approval. Further it was no secret that the U.S. Government might accord diplomatic recognition to Outer Mongolia.

On August 11 the State Department announced that for a considerable period of time it had "been exploring the question of establishment of relations with Outer Mongolia," but had decided against diplomatic ties. At the same time the Department stated: "We favor the retention by Nationalist China of its seat in the United Nations and oppose the admission of Red China."

In view of the previous positions taken by the joint Senate-House Republican leadership, we, of course, were gratified by these decisions. But we think one more step is needed before the United Nations meets September 19.

So far the State Department has only said that we will not give diplomatic recognition to Outer Mongolia; it has not said that the United States will oppose U.N. admission for that Soviet puppet state. On the contrary, on April 19 the U.N. was told by one of our representatives, Charles W. Yost, that "the United States will be prepared to support—and even to cosponsor—Outer Mongolia's admission * * *" if our investigation showed Outer Mongolia to be an independent state willing to meet its international obligations.

The Soviet Union has made the admission of the African country Mauritania conditional on the admission of Outer Mongolia. It has been our historic policy to oppose all "package" deals such as this. We strongly urge the State Department to clarify our position as soon as possible and to make it unmistakably clear that we will oppose not only the admission of Red China to the U.N. but of Outer Mongolia as well.

THE SPENDERS ARE BACK

(By Senator DIRKSEN, March 29, 1961)

The President's budget messages and the testimony of the Budget Director before the Joint Economic Committee make it quite clear that the new administration will not be bothered by making the books balance. Maybe the decade of the sixties will be the deficit decade. That will be no new experience.

The approach to the budget problem is ingenious to say the least. First, show that the Eisenhower budget for the year ending in June 1961 was based on miscalculation as to spending and income and turn a small surplus into a $800 million deficit.

And since there would be a deficit on June 30, according to the new fiscal Frontier figuring, a bigger deficit might not be too unpalatable by spending more. This will prepare the country for a $2.2 billion budget hole on June 30.

Then condition the country for the next year by setting up two sets of books—one for general spending and the other for defense spending—even though the money all comes out of the same public purse and is paid from the same tax revenues. It is proposed to hike defense spending by another two-thirds of a billion for the year ending June 30, 1962, with a hint that it might be more. Then there will be the built-in increases of other years plus those that this Congress is likely to approve.

The net of all this is pretty plain. The new fiscal Frontier balance sheet will be in the red on June 30; it will be a deeper red on June 30, 1962. The debt ceiling will have to be lifted, and the deficit decade will have a pretty good start.

(By Representative HALLECK, May 26, 1961)

For the past 4 months the Congress has been deluged with Presidential messages and communications proposing New Frontier programs. We are told they are still coming. The messages and communications have been been vague and mysterious as to the cost of the projects, how long they will be needed, and where the money will come from to pay for them. They have abounded in contradictions, vague goals, confusion, hidden costs, and back-door spending.

For the past 2 weeks we have had staff members making a thorough search of all available material bearing on the cost of the New Frontier programs. They have reported back to us that the fiscal picture is projected so far into the future as to be unintelligible. They say there is such a welter of concealed authorizations, contractual commitments, and loan and subsidy programs, that dependable cost figures are impossible to obtain. However, by taking the New Frontier's own minimum estimates, it appears likely that approximately $60 billion additional will be spent by the Federal Government over the next 5 years. The calculation is that the Federal budget will reach at least $125 billion by 1965, if not sooner, compared to $80 billion in President Eisenhower's last budget.

As indicated, we cannot, through no fault of our own, vouch for the accuracy of these figures. In fact we are convinced that we cannot find out what the programs will cost and that President Kennedy has no man in his administration who knows what they will cost. If the President does have such a person, we will be happy to invite him to our next leadership meeting to advise us

what the costs will be and where we are headed.

Nevertheless, our research convinces us that we are entering a jungle of unprecedented spending and loose fiscal policy. Never in the history of our country has any administration so blindly plunged into the future with so little thought or so little preparation. It is plain that the Congress is going to have to exercise the utmost scrutiny and wisdom if this country is to be saved from a fiscal disaster of major proportions.

(By Senator DIRKSEN, June 15, 1961)

It now appears that President Kennedy intends to spend in the fiscal year ending June 30, 1962, at least $5 billion more in cash outlays than proposed by President Eisenhower and to obligate $9 billion more under contractual authority. This serious fiscal picture raises some very important questions as to what we can afford.

For example, it is becoming more evident every day that President Kennedy must soon decide which he thinks is more important to our people—the New Frontier domestic programs or our national security.

The President sponsors a $4 billion aid to education program, a $9 billion housing program, a $5 billion medical care program, and many other measures totaling more billions. At the same time the President tells us how dangerous the world situation is and calls for more and more individual sacrifice to meet the threat of communism. Mr. Kennedy describes "how long and hard a struggle must be our fate as Americans"; he urges us "to meet our responsibilities, however burdensome they may be"; and he suggests that we ask not what the Government can do for us but what we can do for the Government.

These are brave and commendable words, but we think it is about time the Kennedy administration applied some of its preachments to itself. Just where the Federal Government has tightened its belt under the New Frontier is difficult to discover. The administration's proposals for more and more welfare spending come thick and fast; the prospective deficits mount hourly.

When President Kennedy sponsors legislation to permit the purchase of $15,000 homes with no money down and 40 years to pay, the citizen begins to wonder what kind of sacrifices Mr. Kennedy is talking about. When the citizen reads that the national debt is climbing daily, he wonders whether it is he or his children the President believes should do more for their Government.

If we are going to develop a national willingness to sacrifice, the pace must be set in Washington. And the best place to start would be on a Presidential revision of the budget aimed at eliminating all but the most essential expenditures.

(By Representative HALLECK, June 15, 1961)

If there is one thing I believe the people of this country want more than anything else, it is for the leadership in Washington to protect our country against the threats of Mr. Khrushchev and everything he stands for.

When I say leadership, I include the leadership in Congress.

When I say everything Mr. Khrushchev stands for, I am talking about the kind of New Frontier schemes that foster further centralized government at the expense of local authority, private enterprise and individual liberties.

Currently, most of our attention is being directed to activities by the President and his administration involving global aspects of the cold war between the Communist bloc and the free nations of the world. We are spending most of our time worrying about, and billions of dollars trying to prevent, the spread of communism.

No one will deny our obligation to help free, friendly nations stay free.

But the overriding obligation we face is to keep ourselves free in the process.

On more than one occasion Mr. Khrushchev has predicted that the grandchildren of present-day Americans will be living under socialism. I, for one, do not underestimate Mr. Khrushchev's powers of observation. At the rate we have started under this administration, it may be our children who will live under socialism.

I think it is high time for the Congress to take a long, hard look at spending proposals now before us that would play into Mr. Khrushchev's hands by pushing this country further down the road to socialism.

While I'm naturally concerned about what the Kremlin might try to do to us, I am also concerned about what we are doing to ourselves.

(By Representative HALLECK, July 27, 1961)

The need for a conclusive stand on Berlin is unquestionable. I doubt if there is a Member of Congress on either side of the aisle who will not support the necessary steps to bring this about.

However, I think most Americans will agree with me that as defense costs rise it is imperative that the Government retrench on other programs.

On May 26 at one of these press conferences I made an analysis of the unprecedented New Frontier spending and concluded with these words:

"Never in the history of our country has any administration so blindly plunged into the future with so little thought or so little preparation."

This statement was made 8 days before the famous Vienna Conference at which Khrushchev handed President Kennedy his ultimatum on Berlin. Fifty-four days have passed since President Kennedy was put on notice concerning Berlin and in those 54 days the administration has not lifted one finger to halt the vastly increased domestic spending program of the New Frontier.

Two days ago the President disclosed that the Berlin crisis itself is going to cost us $3.4 billion additional. He talked about deficits. He talked about more possible defense spending. He talked about possible increased taxes.

It is easy enough to call upon the American people to make additional sacrifices—to look not at what their Government can do for them but what they can do for their Government. But we have arrived at the day of reckoning. I say it is time for the New Frontier to find out what it can do for government—sound government.

It would make a lot more sense to everyone, and certainly to the masters of the Kremlin, if this administration decided to invest our resources in preserving American security and to spend less on the innovations of some domestic political planners. A Presidential message to the Congress proposing cutbacks on domestic spending would be most appropriate.

We of course are determined to support any means necessary to strengthen our Berlin stand and in that President Kennedy has our firm commitment. But we insist that the President owes the American people some substantive reciprocity and while the ordinary citizen is tightening his belt, let the Government do the same.

(By Senator DIRKSEN, August 2, 1961)

It has long been agreed that a strong and healthy economy is our first line of defense. This becomes doubly important when a nation is called upon to support multi-billion-dollar moon shoots, multi-million-dollar weapons, a large increase in military personnel, and a long-range foreign-aid program.

As members of the joint Senate-House Republican leadership, we are determined that our defense posture be at the maximum strength necessary and that President Kennedy be given the strongest hand possible in the diplomatic cold war. But we feel impelled to repeat that to arrive at this strength the Federal Government has to tighten its belt on all nonessential matters.

We believe these strictures apply not only to the Kennedy administration but to the Democratic-controlled Congress as well. Although President Kennedy on several occasions has asked the Congress not to exceed his budget, there is no evidence that the White House has sought to curtail any specific legislative excesses on which the Congress has already embarked, and they are several.

For example, there are housing, military, veterans, space, and the Youth Conservation Corps authorizations that have broken the budget barriers in excess of $5 billion. There are other examples but it suffices to say that when the budget itself is already out of balance, direct or indirect contributions to greater deficits, current and future, do not constitute a healthy situation.

Of course the Congress has a right to enact authorizations and appropriate money without regard to the President's budget. But with the White House exhibiting no reticence in spending matters we feel it imperative that Congress show every reasonable restraint possible. The administration has just finished a $3.9 billion deficit year and is now in a $5 billion deficit year. This is not a laudable start toward establishment of a sound fiscal policy.

True, there are those who fuzzily confuse spending with progress, but we feel confident from our mail and our own sampling that the overwhelming majority of the American people feel now is not the time for political excesses of any nature.

(By Representative HALLECK, August 31, 1961)

It is becoming plainer by the day that this Congress has been hearing from the folks back home about the need for tightening the purse strings particularly in view of the additional defense expenditures caused by the Berlin crisis.

In the last 3 weeks, the following significant actions have taken place which we believe more nearly reflect the mood of this country than the course followed by the Congress during the preceding 7 months:

1. On August 8, by a majority of 71 votes, the House eliminated from the atomic energy bill a completely unjustified proposal to spend $95 million to use the plutonium reactor at Hanford, Wash., to create electric power at a substantial loss to the taxpayers.

2. On August 29, 2 days ago, a Senate-House conference committee agreed to strike from the foreign aid bill $1.6 billion in authorizations for a 5-year period, and, far more important, specified that instead of borrowing the money from the Treasury, the administration must come to the Congress on an annual basis for appropriations.

3. On August 30—yesterday—the House by a 73-vote majority insisted that an aid-to-education bill extending the impacted areas and national defense education programs, which we are all for, be considered a week hence without $325 million for a school program with entirely new formula which administration partisans had inserted in the bill without so much as a public hearing or even a reading of the legislation by the Education and Labor Committee.

Congress, in our opinion, now realizes that our people have seen enough Christmas-tree legislation. While I can only speak for the Republicans, I think the disposition of the Congress henceforth is going to be: Provide every dollar needed for defense but tighten the Government's belt on nonessential spending.

Naturally we are proud of the part the Republicans played in this turn of events because it has justified our efforts to support the President in the international crisis while opposing costly programs that could

either wait or are not needed under our form of government.

STRUCTURAL UNEMPLOYMENT

(By Senator DIRKSEN, April 20, 1961)

The New Frontier is overaccenting welfare proposals and has thus far failed to emphasize one of the real problems of the 1960's; namely, built-in, or structural unemployment.

What is really happening is that our economy is coming to grips with the composite results of our inventiveness, our ingenuity, our efficiency, our longevity, the steady increase of women in jobs, our abhorrence of waste, investments abroad, and the influx of competitive goods and other factors which have been slowly unfolding for a long time.

We have already seen what has happened to American agriculture as a result of technological improvements. In the last 10 years our farmers have produced approximately 28 percent more food with approximately 28 percent less manpower.

At the sametime our industrial workers have also been producing at increased rates in the face of a growing labor force. This has produced some startling results.

A few years ago there were 2 million railroad employees. Today there are 800,000. A few years ago there were 700,000 employed coal miners; today there are 200,000. These are extreme examples but the problem is more likely to grow in the industrial field than diminish in the years immediately ahead.

The built-in factors in structural unemployment have been operating for some time and the question is how we handle their increased effect. Obviously there is a shift occurring at an accelerated rate from blue collar work to white collar work, but the acceleration is not great enough to meet technological improvements.

We are setting up a study committee on structural unemployment to advise us on the role of Government in achieving the transition in our work and production patterns. We must keep step technologically, but we must make sure our work force benefits as the changes occur.

(By Representative HALLECK, April 20, 1961)

This morning we reached a decision that I believe will go far toward helping solve one of the basic problems now facing this country—the problem of structural unemployment. By structural unemployment we mean those unfortunate individuals whose field of occupation has been wiped out or greatly diminished by technological change.

We have approximately 5,500,000 unemployed and I have seen nothing in the proposals sent to Congress by President Kennedy so far that comes to grips with this basic problem. The simple fact is that the average worker today is capable of substantially greater output than a few years ago because of technological improvement. At the same time, the number of people entering the labor market each year is increasing. The question thus becomes: How can we enjoy all the advantages of technological change and at the same time keep our workers employed?

There have been a number of studies made on this labor problem but none of them has produced a practical solution. Therefore, Senator DIRKSEN and I have been authorized to set up a small committee of experts to advise us on this problem of structural unemployment.

We believe that we can perform a constructive service by conducting this type of study. The structural unemployment problem is, beyond doubt, going to be with us for many years unless labor and management and Government can form a partnership to meet the problem squarely and fairly and intelligently. In fact, I hope to announce over this weekend a concurrent project we Republicans are developing in the House on this same subject.

The important thing is: The United States must advance technologically, in fact, keep ahead of the world, but at the same time it must do so without imposing undue hardship on the working men and women of this country.

WAGE-HOUR SLEIGHT OF HAND

(By Representative HALLECK, May 11, 1961)

I think it is time to read into the public record the fact that the American worker is losing nearly a billion and a quarter dollars in increased pay because President Kennedy failed to live up to his campaign pledge on minimum wages. My figures are from the Department of Labor.

In 1960, President Eisenhower worked around the clock trying to get an opposition Congress to raise the minimum wage to $1.15 as of January 1 of this year. Senator Kennedy personally scuttled the legislation, flatly pledging he would raise it to $1.25 if elected President.

In February, as President, Mr. Kennedy asked Congress not for $1.25 but $1.15, saying it should not go to $1.25 for 2½ more years.

Since the $1.15 does not become effective until September of this year, this means that nearly 2 million covered workers will have lost $224 million in increased pay that they could have had under President Eisenhower's proposal if adopted last year. That is the price workers are paying for the 8 lost months on the New Frontier.

But that is not all.

When the law goes to $1.25, 2½ years after President Kennedy pledged it would, the workers covered—some 3 million of them—can ask themselves how much they are out of pocket between Mr. Kennedy's pledge and his performance. The answer is a further loss of $1 billion in wage increases promised but not delivered. That is the additional price workers are paying for the 2½ lost years on the New Frontier.

Last week, when he signed the new law, President Kennedy said, "I want to express my satisfaction in signing the bill to increase the minimum wage to $1.25 an hour." Not a word was said about $1.15. Not a word about the 2½-year wait ahead of the American workers. Evidently the New Frontiersmen think the American worker can't read or write, add or subtract, multiply or divide—or remember. I happen to think they can and will.

(The following background information was released with Representative HALLECK'S May 11, statement:)

"August 3, 1960: Democratic-controlled Senate-House conferees failed to agree on President Eisenhower's proposed legislation for increasing the minimum wage to $1.15 effective January 1, 1961, the conference collapsing because Senator Kennedy insisted on $1.25.

"August 30, 1960: 'I intend to take this fight to the American people. I am sure that they will support me in November in my goal of a minimum living standard of $1.25 an hour. * * *' (Senator Kennedy to the minimum wage conference.)

"November 4, 1960: 'We have a minimum wage—but to be of any help at today's prices it must be raised to $1.25 an hour.' (Senator Kennedy in a campaign speech.)

"February 6, 1961: President Kennedy asked Congress for a $1.15 law plus broader coverage with provision to go to $1.25 28 months after the effective date.

"May 5, 1961: President Kennedy signed the minimum wage bill into law thus making September 4, 1961 the effective date for $1.15, and September 4, 1963 the effective date for $1.25.

"February 14, 1961: Secretary of Labor Goldberg told the House Education and Labor Committee that there were 1,906,000 covered workers who were making less than $1.15 and that the increase to $1.15 would mean an additional $336 million in their pay envelopes annually. Based on these figures the workers lost $224 million in their pay envelopes when Senator Kennedy scuttled President Eisenhower's bill (eight-twelfths of $336 million).

February 14, 1961: Secretary of Labor Goldberg also testified that there were 3,021,000 covered workers who made less than $1.25 and that the increase to $1.25 would result in $836 million more annually in their pockets. This means that the 2-year delay in President Kennedy's fulfillment of his promise to obtain a $1.25 minimum is costing the workers $500 million annually or a total of $1 billion for 2 years ($336 million subtracted from $836 million).

A SUMMARY STATEMENT

(Joint statement by Senator DIRKSEN and by Representative HALLECK, September 27, 1961)

We can recall no period in our times in which a new administration and Congress—both controlled by the Democratic Party—have promised so much and delivered so little. This was not the longest session of Congress in history—it just seemed like it.

To be sure, the old standbys of most Congresses were passed—foreign aid, social security amendments, highway funds, housing, judgeships, appropriations for defense, extension of expiring laws and the like. Some were the usual; some bore outlandish price tags; some made big government bigger.

But most significant, President Kennedy's major campaign promises stand unredeemed—in fact, appear unredeemable.

His aid-to-education program was rejected.

His tax program was pigeonholed.

His civil rights promises were forgotten.

His medical care for the aged was stymied.

His "do it yourself" farm program was plowed under.

His method of foreign aid financing, called the heart of the program, was killed.

His pledge of fiscal integrity vanished as the administration tobogganed into a huge deficit.

Indeed, the hallmark of this 1961 legislative venture was failure—in leadership, in accomplishment, and in campaign promises fulfilled.

Perhaps it can be said that the crowning success of this session of Congress was, after all, its overwhelming failure.

Surely most Americans upon reflection will find themselves more blessed for what they escaped than for what they received.

For this they can thank, in large measure, a sturdy band of outnumbered Republicans who fought throughout the session with considerable success for a beachhead of sanity in Government.

Federal Aid to Education

EXTENSION OF REMARKS

OF

HON. JOHN P. SAYLOR

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 26, 1961

Mr. SAYLOR. Mr. Speaker, although all but the ghost of the 1961 model of a proposed Federal aid to education program has left our midst, there is always the unhappy assumption that it will again haunt us in a highly professional manner in some succeeding session of Congress. Until the subject is shown of all political advantages, it can be ex-

pected to be resurrected at least once every Congress until a more glamorous bureaucratic scheme is concocted. Under the circumstances, it may be well for opponents of the sham to keep the issue alive through constant exposure so that everyone may eventually have an opportunity to detect the fraudulence behind the proposal.

The current Nation's Business magazine contains an article by Dr. Anthony Marinaccio, superintendent of public schools in Davenport, Iowa. It is an excellent indictment of the Federal aid program. It should be added to the documentary material already compiled in the case against this attempt to impose Federal control over the schools and teachers of our Nation. For this reason I request that it be included in the RECORD.

While I wish to be associated with the major conclusions of Dr. Marinaccio's frank presentation, I should like to implement his reference to the so-called impacted area assistance legislatiotn. While I appreciate that, in unusual circumstances, some communities may be suddenly overrun with a large number of children of employees of a Federal installation in temporary operation, the law which Congress initially enacted to handle the situations during the Korean war has been unwisely extended and ludicrously administered. I have on previous occasions appealed to my colleagues for correcting the evils that have arisen out of this originally well-meant and necessary program.

From the time that the big push for Federal control of the Nation's education was undertaken several years ago, Congress has in its wisdom rejected this attempted bureaucratic encroachment into our State and local school systems. However, the impacted area law, which was put onto the books in 1950 to ease some of the problems of the Korean war, has been continued without regard to the fact that it was created as a temporary expediency and has been administered without any respect whatsoever for the taxpaying public.

Mr. Speaker, there are countless case histories that could be offered in proof of the unreasonableness in the administration of the impacted area law, but perhaps the most telling instances persist right in this area. Permitting children of career Federal workers who have lived in the same place for many years to be counted for Government assistance is entirely preposterous. While the Federal Register has not been printed this year, the last edition lists thousands upon thousands of Government employees earning in excess of $10,000 per year. There are countless others in the same wage brackets but not listed in the Register. A majority of these Government employees are residents of Montgomery County, Md., whose per capita income is among the very highest in the Nation.

Is there any sound reason why the taxpayers of the constituency which I represent should have to pay to send the Montgomery County children to school? Of course not. It is an out and out violation of the rights of a majority of the taxpayers of this county.

I have spoken on this subject in the House previously. I suggested that, if the people of Montgomery County are not willing to pay their own school bills, then let Congress take this situation into serious consideration the next time it authorizes construction of another Federal installation. I can provide a substantial list of communities in the 22d District of Pennsylvania that would welcome the location of a Federal Government office, and I can assure you that residents will be happy to present a written pledge that the Federal Government need not contribute to the education of the children who grow up there. Bring some $10,000 jobs down there to us and we shall be eternally grateful. It would mean more business for our local industries and stores, and we could substantially reduce surplus labor conditions.

How absurd to give Federal funds to Montgomery County. Our industries and labor unions have set up funds to attract new plants and factories. We do everything possible to make our region attractive to relocations. We would be most happy to make space available to Government installations if you will provide some of the permanent jobs that you have given to residents of Montgomery County and the other districts around the Nation's Capital.

I supported impacted area legislation at the outset of the Korean war because it was obvious that some communities would be overrun by Federal employees and their families at installations established for temporary operation. There was no intent in the law to continue the program indefinitely or to prove a grab bag for cities which thrive on Federal income on a permanent basis.

There is no justification for the impacted area bill as presently interpreted and administered, and everyone knows it.

On Sunday, September 17, Miss Ingrid Jewell, Washington correspondent for the Pittsburgh Post Gazette, contributed an article entitled "Impact Areas' School Bill Is Seen Full of Abuses." Because honest reporting of this nature contributes valuable information that may be instrumental in correcting the abuses of this program the next time it is brought before the Congress, I include the following portions of Miss Jewell's report in the RECORD at this point:

IMPACT AREAS' SCHOOL BILL IS SEEN FULL OF ABUSES

(By Ingrid Jewell)

WASHINGTON, September 16.—The bobtailed school aid bill which Congress has sent to the President continues for 2 years a program which the Comptroller General of the United States believes is full of abuses.

This is the so-called impacted areas program, enacted in 1950 as a Korean war measure to assist school districts for defense work or military service. * * *

But the impacted areas law has become one grand shakedown, in many school districts, according to the report of the Comptroller General. * * *

But many Members of Congress consider the impacted areas program, as now administered, unfair, inefficient, and bogged down with politics. It does not channel Federal money, necessarily, to school districts in need. It favors a few school districts across the country whose school authorities have been able to concoct records seemingly to indicate the presence of many federally connected children.

The Korean war is long over but the costs of this program and the number of benefiting children under it increase each year.

In 1950, the program paid out $29.7 million for operation of these impacted schools, including teachers' salaries. In 1960 it paid out $117.6 million for operation. Construction costs are down, from a high of $195 million in 1953 to $61.1 million in 1960.

CALIFORNIA BIG BENEFICIARY

The tremendous beneficiaries have been California, with its airplane and other defense plants, and the southern States with their military installations. In the decade, the program has cost almost $2 billion.

Pennsylvania has not done well at all, with $4.5 million for construction and $16.9 million for operation in the decade since the law was first enacted. Pennsylvania's entitlement last year was $4,525,000, of which more than $2 million went to Philadelphia which counts the children of Navy yard employees.

Since the defense plants closed, there have been few Allegheny County school districts which could legitimately claim to participate, and none has resorted to the extreme measure to build eligibility cited by the comptroller general.

Mr. Speaker, the full context of Dr. Marinaccio's article is printed below. I invite your close perusal of this important testimony against one of the most obnoxious bureaucratic proposals ever submitted for congressional consideration:

WE REJECT FEDERAL AID

(By Dr. Anthony Marinaccio)

Don't let anyone tell you that Federal aid to education won't lead to Federal control. I have been on the receiving end of Federal aid, and I have seen the controls develop and grow.

It's a dangerous delusion, this notion that aid from the Federal Government does not lead to interference with the freedom of local schools to manage their own affairs.

In a Missouri community where I served as superintendent of schools I saw a dramatic example of how this can happen. The public schools there were receiving Federal funds for vocational home economics education.

Ostensibly, there were no strings attached. In fact, however, we were harassed by a school supervisor who, in her capacity as an inspector employed by the State, but actually paid by Uncle Sam, attempted to force changes in our curriculums and facilities which our own vocational training specialists knew to be inadvisable.

When we refused to accept her ideas, she said: "Well, I am not sure that I want to approve the funds you get for this program."

What did we do? We did what I feel every school system in America should do in a situation where its basic rights are threatened. We rejected the Federal program and ran our own.

There are other examples of the controls which come with so-called aid from Washington. But before I enumerate some of those which my 27 years in education have revealed, I want to make this point most emphatically to all Americans—and particularly those responsible for the training of our youth: America is in real peril of losing its freedom as a result of corrosion from within, and that corrosion, I am convinced, will be hastened if the Nation adopts large-scale programs in which the Central Government finances local schools.

Some will say that I am an alarmist, that I am painting the picture in unnecessarily dark colors. Let me say that I am not wear-

ing blinders or fighting for a preconceived idea. I am, I think, a realist. I know that sometimes circumstances make it necessary for the Federal Government to help localities with their school problems.

One such special case is what is known as an impacted area. These are communities where, because of Federal installations, tremendous numbers of children come in suddenly and fill up the schools. Such communities should be given Federal help.

NEED FOR AID NOT WIDESPREAD

In most public school systems, there is no need for asking or expecting Federal help. The job can be done at the local level—where it should and must be done if we are to preserve our freedom. America has been built out of this thing we call freedom. People can learn how to handle freedom—to be free—only if they have such powers as free education. Essential to free education is the power of the community to decide for itself what its schools should teach, and how to finance the teaching.

If we allow Federal aid to education to come on a big scale, we will be moving—perhaps slowly at first, but more rapidly later on—to centrally directed education that could take us down the same road traveled by Mussolini and Hitler and Stalin and all the totalitarian societies of the past. I don't want this to happen. But it could happen. It's precisely the danger which Washington and Jefferson and Benjamin Franklin were concerned about when they met at the inn in Williamsburg after the Revolutionary War.

"Now that we have won this thing," they said in effect, "are we able to educate the masses of Americans to be free and to have responsibility for control of their freedom—or will chaos result?"

Proponents of Federal aid to education continually assure us there will be no control. In Davenport, in Peoria, Ill., in Missouri and in other places where I have had contact with public schools, I found the opposite to be true. Control does follow aid.

Those who administer aid want to check the programs and courses of a study. They suggest programs. They suggest the type of personnel you should hire and what you should pay them. They suggest what you should teach and, through these suggestions, they are actually controlling the situation.

Uncle Sam cannot hand out large sums of money without checking to make sure this money is properly spent. When you get to checking the spending you have to have a standard against which to check it. This becomes control. It is really as it should be. Billions of dollars should not be loosely distributed and their use left unmonitored. So, you're in a vicious circle. If you're running a public school system which receives Federal tax dollars, you have to pay attention to what the Federal Government or its agents say, or you just won't qualify for the funds.

Look at the National Defense Education Act of 1958 which sets up grants for science and mathematics.

The preamble to this act disclaims any intention to control local schools, yet you should have seen the thick report which we had to prepare in Davenport if we wanted to qualify for NDEA funds. We had to spell out in detail our program, our organization, and so forth. If that isn't control, what is it?

I know of communities which are spending thousands of dollars on science equipment, language laboratories, additional guidance personnel and tests financed from NDEA funds before they are ready for these things and before they know what to do with the new facilities.

This is an outrageous drain on American taxpayers. Many such communities spend the money from NDEA simply because it is there and its availability invites someone to spend it.

WASTE CITED

In my earlier experience with vocational education, the supervisor wanted us to redo our home economics laboratory. Instead of having a limited number of areas in which to teach cooking and so on, she insisted on having enough for everybody.

Well, this would have been a tremendous waste. We knew we would have only so many students in there, and we didn't want to leave other areas idle. After we rejected the federally supported program, we split the student group so that some were cooking, some were sewing, and some doing other things. That way we saved a lot of money and—most important—did a better job of teaching.

We are now starting an electronics program under vocational training for adults. Federally connected people, through the State, worked with us in making out the courses of study, and the plans for the program. They made suggestions for the kind of person we should find, and how much we should pay him.

In their letter they said, "These are only suggestions." Well now, you probably know what "only suggestions" means coming from a superior office.

The drive for Federal aid to education has been gaining momentum in recent years because of a tremendous growth in the numbers of children to be educated and the teachers and facilities needed to do the educating. In addition, inflation has led to a rise in the cost of materials needed for school construction and, most important, in the salary requirements of teachers, many of whom are still underpaid. The net impact of all these pressures in many communities has been almost revolutionary. The average taxpayer sometimes can't see why his taxes should be so high.

We have to get across to the taxpayer—at the local level—that his higher taxes are buying better schools and better education. If he is tempted to think that running to the Federal Treasury will relieve the burden, he must be shown that nothing comes from Washington that doesn't originate in his own pocket.

Most communities can handle these increased needs locally if they will recognize the needs and have the initiative to do the job. In Davenport, where our board of education is on record as opposing Federal aid, we overcame the problem of teacher pay. Our school board spearheaded the campaign, starting about 3 years ago. The board enlisted the support of our local chamber of commerce, and other civic groups. Result: In 3 years—counting next year, which is already budgeted—the average classroom teacher will have realized a pay hike of from $1,000 to $3,000.

We did this by getting local support for a school tax increase. I am gratified by the result. It has raised the morale of our teachers. They have seen that the public recognizes their economic status and have thrown themselves into the job. They have organized new courses of study, invented new materials for the classroom, introduced language labs, including the teaching of foreign languages to children in the second grade. They work after school and on Saturdays.

LOCAL ACTION ESSENTIAL

This is the heart of the matter. Local action to solve local problems. Not enough communities are doing this, in my opinion. Too many bond issues are thrown out because of lack of understanding; too many tax levies are being voted down. When that happens, the superintendent of schools and board of education run to the Federal Government for money.

We lost one bond issue last year but a committee came right back to push it and get the job done. One of the obstacles is the fact that the administration has come out for Federal aid. Many people in Davenport, meeting me on the street, say: "We're not against your program, but our taxes are high and we think we can get the money from the Federal Government."

One of the things which we should all recognize, realistically, is that if Federal aid is ever voted on a massive scale, many communities—including my own—will tend to think that they should apply for it, just to get their share. This is another reason why it is so important that the Federal programs be stopped before they get started.

I have studied history, and I am disturbed by the lessons it teaches. I see some ominous things in our society which emerged in past societies prior to their collapse. One of the most menacing signs is a drift into centralization abandonment of individual responsibility.

What is happening in America today is comparable to what happened to Rome and Greece and Egypt. After the individual citizens of those states rose to great heights and everything became abundant, they forgot how they got the abundance. We are living better than we have ever lived, yet I wonder if we are not forgetting how we got there.

We got there through individual initiative, not by turning to someone else to solve our problems. If we let the centralization trend continue, we will wind up in the predicament described to me by a Russian teacher to whom I talked recently. I asked this teacher why Khrushchev and the other Soviet leaders are pushing so hard to surpass America.

"We won't have to fight you," this teacher replied with cold impersonality. "You will fall from within."

The reason why we are drifting toward the superstate and consequent loss of local initiative, stems, I feel, from widespread ignorance of our economic and political system. Our youngsters—for the most part—simply do not know what got us where we are today, and what makes our system tick. The same must be said about our teachers.

In our public schools you see very little in our curriculums that even refers to our system of free enterprise. The student has to elect one economic course out of 12 years of work, one semester. We teach our economic system in only an incidental way.

Let me illustrate this: Say a youngster makes a pair of book ends in shop. He gets the mistaken notion that, since he paid 15 cents for the two pieces of scrap wood he used, and perhaps 15 cents for his shellac and whatnot, the book ends are worth less than a dollar. Then, when he sees a pair of book ends in a store window for $19.95, he assumes that somebody is making $19.

If our teachers understood our economic set-up better they would say:

"Now look, boys, you are going to make a pair of book ends," and then they would study together how book ends are produced by industry; what the overhead cost is; how much goes for taxes; what it costs to supply the tools and to pay the workers. When you put it all together you might find a 2 percent margin of profit, or 3 or 4, and that would give the youngsters a more accurate grasp of competitive enterprise.

Why are our teachers so poorly equipped in economics? Many of today's teachers weren't taught economics when they were in school—or, at least weren't motivated to study it. You must add to this the fact that some teachers feel they do not receive an adequate financial return from the society they serve.

RETURN TO OUR EARLIER VALUES

The challenge we face nationally has subtle aspects. When I was a boy young people were quickly acquainted with the fact that they had responsibilities. We carried groceries, or sold door to door. The importance of hard work, initiative and self-reliance was made plain to us not only in

our own families, but in our schools and in our communities.

We have slipped away from those principles, and we must get back to them. Our emphasis should not be on having big government do more and more for the individual, but on the individual doing more and more for himself.

If Federal aid to education becomes a reality, I am afraid it will mark the first step toward complete control of the education process by government. Dictation would move slowly, but surely, just as it did in Mussolini's Italy, where even the textbooks were changed and Il Duce's picture finally showed up on about every fifth page. The schools would eventually become an agency of government, and many people would take their children out of them, leaving the public institutions to accommodate only the paupers and unfortunates whom no one else would take into their private schools. Even private schools would be drawn to the magnet of Federal aid.

We must not let these things happen. The public school is the basis of our strength. It's the bulwark of our society.

In the future we must teach our children to be able to make comparisons between our way of life and communism, but the only way we can teach these things is, first of all, to make sure that they understand what America stands for. Then we should try and teach the truth about communism as nearly as we can see it, and as nearly as we can tell the story. This becomes a difficult thing because our teachers, while they are well meaning and patriotic, generally don't have a foundation which would enable them to compare the American way of life with communism.

I would want to have an intense in-service education program so that our teachers would know. Out of this would come a strong desire to promote the American way.

For a long time I have felt rather comfortable about our relationships with Russia, thinking that someday the people would overthrow their government, but after talking with some Russians, I don't believe they are about to overthrow the government. They have a strong desire, almost a religious feeling, that their country is going to rise to tremendous heights.

They have been imbued with the idea that they are going to surpass America. They have been given a little more than they had—and they had nothing before—and this, to them, proves that they are making progress.

We must give our youngsters the same faith and strong desire to fight for and to promote American values, and I am afraid that is an area where we are falling down.

We face a difficult job, but we must get this job done, or we truly will fall from within.

Development of Civil Aircraft Accident Investigation in the United States

EXTENSION OF REMARKS

OF

HON. BENJAMIN A. SMITH

OF MASSACHUSETTS

IN THE SENATE OF THE UNITED STATES

Wednesday, September 20, 1961

Mr. SMITH of Massachusetts. Mr. President, it has come to my attention that Edward E. Slattery, Jr., Public Information Officer, Bureau of Safety of the Civil Aeronautics Board, and a native of my State lectured before the Centro Per Lo Sviluppo Dei Trasporti Aerei in Rome, Italy, on September 15. His lecture was titled "The Development of Civil Aircraft Accident Investigation in the United States."

Mr. Slattery has been with the Civil Aeronautics Board for more than 19 years as a professional career information officer and has gained a reputation as one of the Federal Government's finest information officers and enjoys the trust and confidence of the aviation industry and of the press.

I think his remarks on this occasion give us a very interesting insight into the methods used by the CAB to reconstruct aviation disasters in the interest of future air safety, and therefore ask unanimous consent to include the lecture at this point in my remarks.

There being no objection, the lecture was ordered to be printed in the RECORD, as follows:

THE DEVELOPMENT OF CIVIL AIRCRAFT ACCIDENT INVESTIGATION IN THE UNITED STATES

(By Edward E. Slattery, Jr.)

At the outset I should like to express my appreciation to your General Secretary Salvatore Tomasino and to the Centro Per Lo Sviluppo Dei Traporti Aerei for the honor of inviting me to appear before you.

Your general secretary has suggested to me that my talk to you concern itself with the development of civil aircraft accident investigation in the United States. I shall further limit my remarks to accident investigation concerned with American air carriers.

As in all countries of the world commercial air transportation in the United States inaugurated service and began its first technical and economic growth in the years following World War I, and particularly following the momentous Lindbergh flight in 1927 from New York to Paris. For the next decade American aviation developed vigorously but haphazardly, with new designs and technical equipment following one after the other, and sometimes at the expense of public safety. In a parallel sense the economic growth of civil aviation skyrocketed in the late 1920's and then, following the worldwide depression, slumped to an all-time low in the mid 1930's.

Finally, amid newspaper headlines of forced mergers and airline bankruptcies appeared the tragic story: "U.S. Senator Bronson Cutting Killed in an Airline Crash." As a consequence of these accumulating developments, and continuing turmoil over rates and methods of airmail subsidies, the attention of Congress was focused on the chaotic problem of U.S. aviation, and the result, in 1938, was passage of the Civil Aeronautics Act of that year.

The physical nature of aviation, which made possible the crossing of several States on a single flight, made it mandatory that the new law be national in scope, applying equally to all 48 States. Thus, for the first time in the United States the Civil Aeronautics Act brought all segments of civil aviation under one general Federal law, established uniform regulations that pertained both to the safety and economic health of the burgeoning industry and promised to aid in the encouragement and development of civil aviation in the future.

For the next 20 years the Civil Aeronautics Act served as the great charter of American civil aviation development. During its existence it helped to make possible an aircraft manufacturing industry, a national air transportation system, and a private flying business unequaled by any other nation of the world. Then, in 1958, and again partly as the result of a series of major air disasters, Congress reexamined the needs and the posture of our civil aviation. Under the understanding leadership of U.S. Senator MIKE MONRONEY, public hearings were held to evaluate the need for new legislation to replace and modernize the old act. Thus was born the Federal Aviation Act of 1958 under which all civil aviation in the United States now operates.

To carry out the mandates of the 1938 act, Congress had originally created a three-part Federal agency known as the Civil Aeronautics Authority. However, after nearly 2 years of practical working experience, this cumbersome body was reorganized in 1940 and forged into two separate Federal agencies, and in much the same form that they exist today. The largest of these is the Federal Aviation Agency (FAA), which is part of the executive branch of the U.S. Government; while the other is the Civil Aeronautics Board (CAB), an independent agency of the Congress.

The FAA consists of some 42,000 employees headed by a single Administrator who is appointed by the President with the consent of the Senate. The principal duties of the FAA include the licensing of airmen and aircraft, the issuing of safety and airworthiness certificates, the promulgation of the U.S. civil air regulations, and the development and operation of the air traffic control system, which function absorbs the largest single group of its personnel.

The CAB, on the other hand, comprises about 800 employees, headed by 5 members appointed by the President with the consent of the Senate. The largest part of the Board's functions are quasi-judicial and legislative in nature: such as authorizing air carrier operations by specific applicants over specific routes; setting rates for the carriage of mail, domestic passenger tariffs and air freight; establishing and paying subsidies for scheduled air transportation; governing mergers and interlocking relationships; and ruling on other economic matters, as well as serving in its quasi-judicial capacity as the agency of review and appeal of FAA actions affecting safety certificates.

Last but not least of the functions delegated to the Board by Congress is its independent responsibility in the field of civil air safety.[1] This is a broader responsibility than some aviation people seam to realize. Over the years, moreover, the Board's dramatic and widely publicized work in the investigation and cause determination of civil aircraft accidents, which is only one specialized form of its safety activities, has overshadowed some of its other equally important but lesser known safety functions.

For instance, the Federal Aviation Act of 1958 specifically charges; It shall be the duty of the Board to:

"Make such recommendations to the Administrator (FAA) as in its opinion will tend to prevent similar accidents in the future.

"Ascertain what will best tend to reduce or eliminate the possibility of, or recurrence of, accidents by conducting special studies and investigations on matters pertaining to safety in air navigation and the prevention of accidents."

I cite these two paragraphs from the act here because they are becoming increasingly important to the subsonic present and the supersonic future of commercial air transportation. Indeed, the cost in lives and money in connection with any disaster involving jet-age transportation has nearly reached the point where we can no longer afford to have accidents. Consequently, it has become more and more important that we direct more and more of our technical knowledge and safety efforts toward developing ways and means that will prevent accidents before they happen.

It might interest you to know that over the past 4 years the Board has made 165 formal recommendations directed at pre-

[1] Section 701–703 of the Federal Aviation Act of 1958 (72 Stat. 781–782, 49 U.S.C. 1441–1443.)

venting accidents. The majority of these recommendations have been made to the FAA, and the balance to the U.S. civil aviation industry. All were based on factual evidence developed by the Board's Bureau of Safety through specialized studies or obtained in the course of an investigation of an accident. I am pleased to report that approximately 80 percent of these recommendations were accepted and corrective action found possible.

But we are interested here today in the Board's specialized work in the field of civil aircraft accident investigation, in which its Bureau of Safety has been engaged continuously since 1938. In this time the Board has found the cause of more than 93 percent of all air carrier accidents it investigated. Since the end of World War II air safety technicians from more than 16 countries have come to America to visit and study the Board's method of operation in air crash investigation.

Initially, however, without precedence or guidance, the Bureau of Safety was forced to invent and develop many of the techniques it uses today as standard practice. It pioneered in using X-ray in search of metal fatigue; in assigning physical items and wreckage clues to medical, metallurgical, and other research laboratories; and with only scant evidence available it worked out its own ways and means to uncover meaningful facts relating to the cause of a crash, such as determining the power setting of an engine and the speed of an aircraft at impact.

Now after more than 22 years of operation, the Board's Bureau of Safety has acquired a fund of concentrated knowledge in a technically specialized area of civil aviation. Through the years it has brought together and trained its current professional staff of about 100 pilot-engineer-technicians who are known as CAB air safety investigators. The Director of the Bureau, Melvin N. Gough, active in aviation research and air safety for more than 30 years, is a nationally known engineering test pilot. Indeed, under Federal civil service minimum entrance requirements CAB air safety investigators must generally hold commercial pilot certificates or air transport ratings, an instrument rating, and have 10 years' experience in aviation.

The Bureau of Safety is composed of a total of some 150 employees, the majority of whom are based at CAB headquarters in Washington, D.C. About 50 persons, 40 of whom are Air Safety Investigators, are assigned to 10 area field offices across the Nation. Whenever a crash occurs the office nearest the accident scene takes over immediate responsibility.

I have decided to outline in some detail the method of operation we follow from the time an airplane accident occurs to the actual issuance of the Board's final report listing the cause of the accident. I have chosen the tragic bombing case of a National Airlines' DC–6B, which occurred over Cape Fear, N.C., one rainy night in January 1960. I know that many of you may recall this case from newspaper stories.

National Flight 2511 was southbound out of New York nonstop to Miami, Fla., and departed at 2334 with 29 passengers and a crew of 5 on board. All position reports were routine including one made over Wilmington but from then on there was silence.

This failure of flight 2511 to make its next position report resulted in FAA air route traffic control calling the flight repeatedly but without response. At this point FAA airways communications at the Washington control center automatically notified the Civil Aeronautics Board of a possible accident.

Following the call concerning flight 2511, the Chief of our Investigation Division immediately dispatched two air safety investigators via airline to the Wilmington area. On arrival they found that the North Carolina State Police had established security measures at the accident scene—a level, half-swampy field partially covered by scrub pine—and were awaiting the arrival of the CAB.

It was still raining when our men first inspected the wreckage of the DC–6B which had fallen in a fairly compact area, with most of the fuselage broken into fairly large sections. In this case, however, utilizing several Marine Corps helicopters, and private aircraft, we found two large pieces of fuselage skin and a 3-seat unit from the cabin at Kure Beach on the edge of the Atlantic Ocean 18 miles from the main wreckage. Thus, it was evident that the airplane had begun to come apart in the air considerably prior to reaching its final impact point.

On the basis of this information a technical staff was quickly assembled to assist the CAB senior investigator at the scene of the accident. Using the Board's Aero-Commander executive aircraft we dispatched from Washington two aeronautical-structural engineers, one powerplant specialist to check the engines, and one air-carrier specialist to review the operation of flight 2511 up to the time of the crash. With the arrival of these men the investigator-in-charge began organizing separate investigative groups and detailing to each group one specialized function. This group method is an investigative technique developed by the CAB over the years and the way it works is this: The CAB senior investigator invites top technical representatives from all aviation sources that are directly concerned with a major accident to participate in the investigation. In the case at Wilmington, he invited representatives from Douglas Aircraft, manufacturer of the airplane; Pratt & Whitney, manufacturer of the engines; Hamilton Standard, manufacturer of the propellers; National Airlines, owner of the airplane; Air Line Pilots Association and Flight Engineers International Association, whose members composed the flight crew; and the FAA, who had certificated the aircraft and flight crew, and operated the air traffic control system used by flight 2511.

In every instance all of these organizations cooperated immediately by sending several of their top technicians to Wilmington to assist the CAB. Thus, on the morning of the day following the accident, our senior investigator had organized four investigative groups, each numbering about eight specialists, and each headed by a CAB air safety investigator who directed the group operation. The four groups included: structures; powerplants and propeller; human factors; and operations.

In the meantime, 3 days after the accident, a light aircraft pilot located the body of a man on the west bank of the Cape Fear River, some 18 miles from the main wreckage site, in the vicinity where the fuselage skin and cabin seat had been found earlier. This body was identified as a male passenger by the name of Julian Andrew Frank.

There were two unique factors of interest concerning Passenger Frank that did not exist in the case of all other occupants of the airplane: the first was the fact that passenger Frank was carrying insurance in excess of $1 million; and, secondly, both legs had suffered an unusual shredded type of amputation. Because of this, and because of other unusual puncture wounds on the body it was decided that an autopsy should be performed.

Concurrently, additional small pieces from flight 2511 were being found in the Kure Beach area adjoining the Cape Fear River. It was at this point that the CAB Structures Group decided that they would reconstruct a mockup of the fuselage of flight 2511 in order to determine the origin of breakup, the progression of structural failure, and the cause of both.

The mockup was built in an old hangar on the Wilmington Airport. The structures group used 2 by 4 timbers conforming in outline to the size and shape of the DC–6B fuselage and over this wooden skeleton framework they tacked chicken wire. On this wire, slowly and meticulously, they secured piece after piece of the fuselage skin collected at the main accident scene, where most segments had been photographed and identified prior to being moved to the mockup.

Now, as you well know, anyone having anything to do with an airline accident—and this is especially true of the press—is always trying to be the detective who finds the cause. In this case newspapers in Florida were headlining that the Wilmington crash was the result of a faulty propeller blade that had snapped off in flight and cut open the cabin. In the meantime, our CAB investigators, who are trained never to speculate or discuss the cause of an accident during investigation, were quietly working to eliminate one suspected area after another. By the fourth day our investigator in charge had narrowed his attention to four possibilities:

1. That flight 2511 had been struck by another airplane, or a missile, which caused it to crash;

2. That flight 2511 had suffered structural fatigue in the fuselage wall which resulted in explosive decompression;

3. That flight 2511 had thrown a propeller blade through the right side of the cabin wall which created a rupture large enough to expel a seat unit and the body of Passenger Frank.

4. That the right forward cabin wall of flight 2511 had been shattered from an inside explosive force of unknown origin.

In the first instance the CAB operations group made a careful check of all aircraft airborne in the North Carolina vicinity at the time of the accident in order to check out the possibility of air collision. They also checked to see if any military aircraft or ground stations had fired missiles during the same period. All findings were negative.

At this point the CAB structures group reported that the size of the rupture in the cabin wall of flight 2511 was much too large to have been cause by explosive decompression alone. Corrective construction following previous cases of explosive decompression had developed a cross-webbing type of wall structure, which was used in the DC–6B, and would have prevented a large rupture.

The third possibility, that of a propeller blade breaking off and ripping through the fuselage, had been favored by a number of aviation authorities as well as the press. This theory was soon eliminated, however, when the CAB powerplant and propeller group recovered all propeller blades buried in the earth near the four engines at the wreckage site.

This left us with the No. 4 possibility, which was studied with considerable skepticism. Any explosive force from within an airplane cabin, after the elimination of the possibilities enumerated, would mean sabotage by bombing. And in all the history of American air transportation there are only two other proven cases where a bomb has been used to destroy an airplane; and only one of these resulted in a fatal crash.

The autopsy on Passenger Frank, in the meantime, had been completed and various metal particles removed from his body were undergoing laboratory analysis in Washington and New York. Nothing conclusive had yet been found. Out at the Wilmington Airport the fuselage mockup was progressing satisfactorily—so well indeed that from a

distance the fuselage appeared to be intact and real. From the mockup hundreds of small pieces of metal, rug fabric from the floor of the cabin, seat material, and other areas near the ruptured side wall were also undergoing laboratory inspection looking for evidence of explosion.

During the next few weeks our investigators gradually became convinced from structural evidence that the damage had been cause by a highly explosive substance. Almost simultaneously, evidence was discovered in Passenger Frank's body that indicated the presence of nitrate, which was also beginning to turn up in the mockup at the Wilmington Airport. More than that, evidence of manganese dioxide was located in the fuselage structure which indicated that electric dry cell batteries were in juxtaposition to the nitrate residue of dynamite.

Finally, our investigators located the amputated lower leg bone of Passenger Frank in one of the hatrack compartments opposite the rupture in the mockup fuselage wall. This bone contained a portion of the mechanism of an alarm clock imbedded in it and cloth around it that was definitely identified as coming from the trousers of the suit worn by Passenger Frank, and there was no doubt that this was part of his leg because no other passenger or crewmember had suffered leg amputation.

In this case the CAB investigation had developed along two separate technical lines: one involving clinical analysis in the field of medical pathology, and the other involving aeronautical engineering reconstruction and laboratory analysis of portions of the airplane involved.

As in most major air carrier accidents the Board convened a public hearing, in this case at Wilmington, N.C., in which all the finings of technical fact originally developed at the scene of the crash by the various CAB groups were entered in evidence as sworn testimony before a CAB board of inquiry. Six months later the Board issued its formal public report[3] summarizing as follows:

"It is the Board's conclusion that flight 2511 proceeded in a normal manner without operational difficulty, mechanical failure, or malfunction until shortly after passing the Carolina Beach H facility a short distance south of Wilmington, N.C.

"At approximately 0233 a dynamite charge was exploded, initiated by means of a dry cell battery within the passenger cabin and at a point beneath the extreme right seat of seat row No. 7.

"Mr. Julian A. Frank was in close proximity to the dynamite charge when the detonation occurred.

"The dynamite explosion severely impaired the structural integrity of the aircraft and after making a wide descending right turn, it experienced inflight disintegration and crashed 1½ miles northwest of Bolivia, N.C., at 0238."

The Board has never determined whether or not Passenger Frank committed suicide or was murdered. The Board's responsibility and jurisdiction in civil aircraft accident investigation is concerned with finding the cause of the accident so that with this knowledge remedial actions may be undertaken to prevent similar accidents. The criminal aspects of this tragic case, therefore, were referred for future action to the U.S. Department of Justice through its Federal Bureau of Investigation.

We have come a long way in American civil aviation since the Civil Aeronautics Act of 1938 was passed by the Congress. Our airlines, in those days, operated some 300 twin-engined transports, none of which were pressurized for altitude flying. Today, in scheduled flying, we have a fleet of 2,000 airliners, most of which are four-engined and pressurized; and more than 450 of them are jet powered.

(Even though I have limited my general remarks to air carrier accident investigation, I believe I would be remiss as an information officer if I failed to pass along the additional civil aviation fact that our American private flying business, which we refer to as general aviation, has also grown from a few thousand small airplanes in 1938 to a huge and active fleet of 70,000 today, of which more than 6,000 are multiengine aircraft.)

And finally it is of interest to note the nationwide acceptance of air travel as an American transportation utility. In 1938 our scheduled airlines transported more than 1.3 million passengers—in 1960 they carried 53 million passengers.

These figures, the number of airline aircraft and general aviation aircraft, and the number of people carried in scheduled air commerce, will give you some idea of the present-day size and scope of American civil aviation. Its continuing economic and technical growth, and its existence as a public transportation service, depend on maintaining and improving its operational safety.

It was for this reason that the Congress of the United States delegated to its own agency, the independent Civil Aeronautics Board, certain specific duties, including, among others, responsibility for the investigation and cause determination of civil aircraft accidents; for making recommendations to the FAA that will tend to prevent similar accidents; and to ascertain what will best tend to reduce or eliminate accidents by conducting special studies and investigations pertaining to safety in air navigation and the prevention of accidents.

This, then, is the area of operations and the degree of responsibility for U.S. air safety fulfilled by the Civil Aeronautics Board and its Bureau of Safety.

[3] CAB Aircraft Accident Report, National Airlines, Inc., near Bolivia, N.C., Jan. 6, 1960: docket No. SA-352.

The 1st Session of the 87th Congress and Its Record

EXTENSION OF REMARKS

OF

HON. J. FLOYD BREEDING

OF KANSAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 27, 1961

Mr. BREEDING. Mr. Speaker, with permission to extend my remarks I wish to include a summary of major legislative activity in the 1st session of the 87th Congress which I have prepared and am distributing to the people of western Kansas:

THE 1ST SESSION OF THE 87TH CONGRESS AND ITS RECORD

Because of the dangerous increase in world tensions, the 1st session of the 87th Congress was compelled to devote a major share of its attention to legislative matters which would prepare the Nation to meet and overcome Russian threats. The strengthening of the armed services was the first order of business. In addition to adopting a defense budget of around $45 billion for the fiscal year, which started on July 1, 1961, Congress also took steps to strengthen the Nation's position on the international front.

National defense: (1) Speeded up the Polaris missile-firing submarine production to 29 by 1964, instead of 1967; (2) continued the B–52 and B–57 construction programs, instead of letting them lapse as earlier planned; (3) authorized the President to call up 250,000 reservists and National Guardsmen, the first of which were called to active duty as the Russian attitude over Berlin became more menacing; (4) as tensions mounted, appropriated another billion dollars for more planes, missiles, and naval vessels; and (5) authorized the construction of additional Polaris submarine bases and missile launching sites at home and abroad.

Space program: Authorized $1.7 billion for a vastly stepped up program, which is aimed at sending a man into orbit and successfully conquering outer space. The urgency of this stepped-up program was demonstrated when the Russians succeeded in sending two men on orbital flights and returning them to earth. The Russians still maintain a lead in space, but the President and Congress are determined that the lead will be overcome. The space flights are of great potential military value and that accounts in part for the urgency attached to the expanded program.

International affairs: A program of about $4 billion of loans and grants for mutual security was approved. This is a part of the Nation's defense effort and the Joint Chiefs of Staff told Congress that the added military strength, which we acquire through the program, is essential to our own security. The emphasis of the economic part of the program was further shifted from grants to long term, interest-bearing loans. The program also recognized the fact that the United States cannot bear the full burden of this program alone and our allies, particularly in Western Europe, are urged to step in and assume a larger share of the responsibility. Also, increased attention will be paid to Latin America.

On the domestic front, these matters attracted a great deal of attention:

Agriculture: A 1-year emergency wheat program was adopted for 1962. Under the program, wheat acreage must be reduced 10 percent, but as compensation for reducing production, farmers will receive income protection through increased supports of $2 a bushel. Farmers can retire voluntarily up to 30 percent more of their acreage and in return will receive payments in kind equal to 60 percent of their average production. The program is a stopgap measure which is designed to reduce wheat stocks and prepare the way for adoption of a program of a more permanent nature. Soon, before Congress adjourned, a bipartisan group of Senators and Congressmen introduced legislation to establish a wheat marketing program developed by the National Association of Wheat Growers, the National Grange, the National Farmers Union, and other farm and commodity organizations. This is the wheat bill, which all groups will suport next year, offering as it does, the hope for higher prices, greater freedom for farmers and a reduction in the cost to the Government.

An emergency feed grain program was adopted for the 1961 crop and was continued for 1962. The program is designed to cut down on the supply of feed grains by limiting production. Farmers are compensated for participating in the program by an increase in income through higher price supports.

Congress extended the Sugar Act until next June 30, without making any provision for increased production by domestic sugarbeet and cane sugar producers. However, Secretary Freeman has stated that increased domestic production will be one of the Department's recommendations to Congress in January. The hope is that acreage in western Kansas can be greatly expanded.

The food-for-peace program was expanded and the disposal of an additional $2 billion in surplus commodities, under Public Law 480, was approved. The Nation's great agri-

cultural abundance is being regarded more and more as a blessing and as a valuable weapon in the cold war.

Although it may not be a legislative matter, several appointments in the Agricultural field were of particular interest to western Kansas. John Luft, of LaCrosse, was named head of Federal crop insurance program. Lud Strnad, of Brewster, was appointed to the National Advisory Committee on Agriculture; and Anson Horning, of Larned, was named to serve on the bipartisan Feed Grain and Wheat Advisory Committee of USDA, and is chairman of the Wheat Subcommittee. Mr. Horning is president of the Kansas Association of Wheat Growers.

Helium extraction plant program: Congress appropriated $45 million to get this program underway. The first two plants authorized will be built in Ulysses and Bushton and others undoubtedly will be constructed in western Kansas. The plants will be built and operated by private companies and the Government will buy the helium for use in the space and atomic programs. The valuable helium gas has been going to waste. Now, it will be extracted before the natural gas is piped into pipelines, and stored to meet a rapidly growing demand.

Social security: (1) Raised minimum old-age insurance payments from $30 to $40; (2) increased benefits to widows; (3) provided for retirement for men at 62, with reduced benefits.

Veterans' affairs: (1) Extended direct and guaranteed home loan program for World War II and Korean veterans and authorized $1.7 billion for the program this year. Direct housing loans are of particular interest to veterans in rural areas, where it is difficult, if not impossible, to obtain a guaranteed loan; (2) authorized payment of $60 million special dividend to eligible policyholders of national service life insurance; (3) increased statutory rate of compensation for service-connected disability.

Housing: Continued a program of insured loans under FHA and special programs for farm housing and housing for the elderly.

Education: (1) Extended the National Defense Education Act, under which loans are made to students with special emphasis on science and mathematics; (2) continued dormitory construction loans to colleges; (3) extended for 1 year, the special milk program for schools.

Economic matters: (1) Increased the minimum wage from $1 to $1.25 per hour by gradual wage step-ups; (2) authorized a $928 million temporary program to provide 13 weeks additional unemployment compensation benefits to jobless workers; (3) established an area redevelopment program under which pockets of unemployment and economic distress can be attacked; (4) continued the Federal Interstate and Defense Highway construction program and the Airport Act, under which municipalities are encouraged to improve facilities for handling increased air travel.

I want to end this report, with a personal observation on the grave danger the Nation faces from increased Russian pressure, not only in Berlin, but throughout the world. Apparently, the Russians hope to use threats and intimidation to make us pull out of Berlin and other areas that are absolutely vital to our security.

The quick response to the increased pressure, by the President and by the Congress, should be a clear warning to the Russians that these tactics will not succeed. The Nation is united in its determination to defend our vital interests, regardles of the risks involved. The mail and other communications which I received, clearly indicate that the people of western Kansas share the determination of people all over the Nation to stand firm against these threats.

Transmission Lines for the Upper Colorado River Storage Project

EXTENSION OF REMARKS
OF

HON. JOHN P. SAYLOR

OF PENNSYLVANIA
IN THE HOUSE OF REPRESENTATIVES
Tuesday, September 26, 1961

Mr. SAYLOR. Mr. Speaker, on September 20, 1961, the gentleman from Utah [Mr. KING] inserted in the RECORD an article entitled "Those Glen Canyon Transmission Lines—Some Facts and Figures on a Bitter Dispute." This was a special report prepared and distributed by the gentleman from Arizona [Mr. UDALL]. It is my intention to discuss this report in full. Its glaring errors and the tortuous reasoning used by the gentleman to justify his position favoring all-Federal construction of transmission lines for the upper Colorado River storage project are a perfect example of his lack of understanding of the problems the Western States face as they try to continue their reclamation program.

It is just the type of philosophy and actions followed by both him and his brother—the present Secretary of Interior—that will block the central Arizona project, a project sorely needed by Arizona if it is to continue growth and prosperity. The gentleman says that he favored all-Federal construction of the transmission lines because of the benefits the people of his district would receive from this Federal power. The gentlemen knows, or should know, that the people of his district would get just as much and probably more electric power under the combination plan and get it at the same price. He should also know that it is the plan to take this power away from the people of his district when and as it is needed in the upper basin.

It would seem to me that the people of his district should determine which is to their best interest—more water or a temporary supply of Federal electricity. I would say that converting projects like the upper Colorado River storage project into a public-private power embroilment will be a big setback to true irrigation developments. His people have alternate means of developing their power supply but there is no substitute for water.

The involvement of the Salt River project and the preference customers from the gentleman's district aided and abetted by false and misleading propaganda evidently prepared by an ex-Assistant Commissioner of Reclamation, a Mr. Harvey McPhail, has, in my opinion set back materially the chances for constructing true reclamation projects such as the people of Arizona are interested in. I am sure other members of the Arizona delegation understand these things since the powerful committee of which the distinguished senior Senator from Arizona is chairman gave instructions to the Interior Department and the Bureau of Reclamation to work out wheeling arrangements with the companies and the junior Senator and my distinguished colleague from Arizona [Mr. RHODES] vigorously opposed the all-Federal system.

I want to examine the gentleman from Arizona's statement but first, let me say with respect to lobbying and propaganda that there is no more vigorous, well financed, and persistent promotional organization than the Bureau of Reclamation. It has not only exerted its extreme pressures for the all-Federal transmission system throughout the region, but has gone around the country trying to drum up support for its vicious plan. Furthermore, it has threatened to use its influence on the approval of public works projects in other areas to force congressional acquiescence to its sinister proposal. It is regrettable that a Federal agency should be permitted to use taxpayers' funds to create such a fierce struggle and hostility between public and private power groups in Arizona and other States in the upper Colorado River Basin which heretofore had worked harmoniously together in the economic development of the region and in securing authorization of the Colorado River storage project.

I can well understand how my colleague reached the erroneous conclusions he did if they were based solely on the specious line of reasoning set forth in his analysis.

Before discussing Mr. Udall's arguments seriatim I would like to emphasize and make perfectly clear that the opponents of the all-Federal transmission line plan, in the Congress, in the region, and elsewhere, are extremely anxious that the Colorado River storage be a success. In order to assure that power will be sold at the lowest rates, with the most efficiency and reliability, with the greatest financial assistance to irrigation and the least burden on the taxpayer, it is necessary that we have concrete, firm data on which to base our conclusions. The costs under the offer of the companies are known. The facilities are specifically identified. The backup and firming is assured. There is a long background of succesful wheeling contracts. None of this can be said about the all-Federal plan. The lines are indefinite. No one knows what the ultimate cost will be. Everyone admits the system without other arrangements for backup and firming is unstable. If there is any bailing out to do it will certainly happen under the reclamation alternative.

Now, with respect to the specific items.

First. Anyone who has any familiarity with a wheeling contract, or has taken the time to examine into exactly what it provides would know that the entity performing the wheeling is given no control over the energy to be transmitted. Arguments that delivery of power creates control are just so much strawmen. Wheeling consists merely of a subcontract requiring the delivery of a specified amount of power at a certain place at a particular time. The supplier negotiates all the power sales and directs his subcontractor to deliver it in accordance with his wishes. It is nothing more than a general parcel delivery or truck-

ing service. To say that the utilities would gain control of the power is just as ridiculous as to say that the X trucking company in gaining control of our missile program because it transports missiles from California to Cape Canaveral; or, that the Baltimore & Ohio Railroad controls a coal mine merely because it transports some of the coal from that mine.

If there is any discrimination in availability of Colorado storage project power to the Congressman's district let me assure you it is because of Bureau of Reclamation actions. Regardless of who is the delivery boy, the Bureau would decide on its customers, the allocation of project power, the type of service to be given, and the price.

Second. The Bureau of Reclamation has constructed some transmission lines connecting Federal power projects and to load centers. To say, however, that historically it "has always constructed its own transmission lines connecting large dams in an area with each other and with population centers" is either to admit complete ignorance of the facts or to misrepresent them. Legislative history is replete with examples where the Congress has refused to approve Bureau of Reclamation proposals to do exactly that. How can anyone make such a claim in the face of the Keating amendment which has been included in Bureau of Reclamation appropriations for more than a decade. It must obviously be construed as an outright attempt to mislead the public. As you know, the Keating amendment prohibits the use of Federal funds for construction of transmission facilities for delivery of power to Federal establishments and preferred customers or to integrate Federal projects unless the wheeling agency is unable or unwilling to provide such service. Let us get the record straight. This will admittedly be the first all-Federal Bureau of Reclamation system in the country if approved. No one can challenge this statement. In fact that is how it got its name.

Third. The Congressman agrees that there will be $175 million short-range savings to the U.S. taxpayers. He then gets confused and lost in converting to a long-range basis. He asks whether the utilities will build the lines and then wheel the power free of charge to the Federal Government. Of course this is silly. In the first place the company has responsibility to its stockholders, many of which will be recipients of project power by the way, and is in no position to make such a gratuitous gesture. It could not in equity require its customers to bear this additional freight cost over and above its other government taxes and I am sure the general public would not permit such an atrocious action. Second, the Bureau of Reclamation has no legal authority to accept free service of this kind. The Congressman does not try to explain how, under his line of reasoning, the short-range $175 million saving would suddenly evaporate rather than continue to increase with time, as it actually does. I am suspicious he did not follow through on this line of reasoning because he could find no basis to support his contention.

The analysis continues by stating that the Congress would have to appropriate over the life of the project funds to pay the wheeling charges. Now if the Congressman had just taken 5 minutes of the "hundreds of hours" he spent "reading the contentions of the two factions" in reading the law, he would have known that the revenues are available "without appropriation" to pay all costs of operation and maintenance of the project. This is the same practice as followed on the Boulder Canyon project. The wheeling charges are paid out of revenues obtained from the Federal Government's customers and not from taxpayers' funds in the General Treasury.

The argument is advanced that Federal construction of the transmission system will generate new business and new wealth in the area. This is true to an even greater extent under the combination transmission line plan since it will create new directly taxable facilities subject to both Federal and State and local taxes which the all-Federal project will not do. Furthermore, the pouring of the State and local tax moneys into the area will pyramid the economic growth since it will provide funds not otherwise available to the States and their communities. All this is achieved at no additional cost to the consumer, with the savings mentioned by the Congressman for the taxpayers, and with a greater and earlier contribution to the funds available for irrigation assistance.

Fourth. As stated above, the claim that transmission of power would give control of the project to the wheeling contractors is a discredit to the experience, fine work and satisfaction achieved in other areas under the wheeling system of operation. I am sure that Southwestern Power Administrator Doug Wright would not agree to any claim that he has lost control of the Southwestern Power Administration system over the past decade and a half because of his wheeling contracts. Contrariwise, he has repeatedly praised this method of operation. As for Herblock and the Washington Post, in my book their record of distorted reporting and innuendo in itself would justify raising questions on anything they supported. In the present issue the question is whether the taxpayers and water users will pay for the cow and the Bureau of Reclamation will get the cream—with no benefit to the preference power customers.

Fifth. If the Federal Government is building the most unprofitable transmission lines it is because the Bureau of Reclamation chose to do so. It hurriedly embarked on the construction of several lines before any negotiations with the private power companies could get off the ground. The companies would have been willing to build the entire system if they had been given an opportunity to do so. There has never been a willingness on the part of the Bureau to sit down in a cooperative fashion and work out the best possible plan of service, and the best way to get the job done. The companies have stated that they stand ready to build the entire system if that is what Reclamation wants. It is not too late to do so.

Sixth. It is alleged in the Congressman's analysis that the officials of the States involved strongly objected to the Arizona Public Service Co. proposal on the grounds that their participating projects could not be financed. The record again shows exactly the opposite to be true. In 1959 the Upper Colorado River Compact Commission requested and was recognized by the Department of the Interior "as the agency to maintain liaison with the four States of the upper division with reference to matters concerned with the allocation and transmission of project energy"—see 11th annual report of Commission dated September 30, 1959, page 26. On September 1, 1961, the Upper Colorado River Compact Commission passed a resolution endorsing the combination proposal of the investor-owned utilities. Senator BENNETT inserted this resolution in the CONGRESSIONAL RECORD for September 5, 1961, page 16894. Two of the three Governors who appeared or presented testimony before the House Appropriations Committee on the matter opposed the all-Federal project. The third referred to congressional directions to Interior to confer with the private power companies, but took no position for or against the Reclamation plan. The Bureau's estimates of irrigation assistance under the two plans have never been verified and it has steadfastly refused to explain their details to the private power companies. If they were fully supportable, I doubt whether the Upper Colorado River Compact Commission would have arrived at the conclusion it did since there can be no question as to its overwhelming interest in the best development of the Upper Colorado River Basin.

Seventh. It is contended that the companies' combination plan might result in higher power rates for thousands of Arizona customers. There would be no more firm arrangement possible than to enter into a long-term contract where the rates are known and established. All of the risks of changes in price levels, of unforeseen physical conditions and of engineering problems which would affect the total cost of construction, operation, and maintenance of the lines would be borne by the wheeling entity. If there is any way to assure the preference customers that the transmission increment of their power rates will not be increased over the life of the project, this is it. The bogy has also been used that increases in rates will be sought from State regulatory commissions. It is very doubtful that any State commission would upset a contract between a citizen—in this case the electric companies—and a sovereign power—in this case the Federal Government. If by chance a public service commission found the rates preferential or discriminatory when compared to the companies' other rates, the commission's powers would be limited to the exclusion of such facilities from the rate base. In other words the burden would fall on the company's stockholders and not on the rate payers. With all due respect to Mayor Paul Pearce of Eloy, Ariz., I am sure he

does not have the engineering and economic staff which would be required to make an impartial objective examination of the complex factors involved in determining which of the two plans would assure the most firm power rates for preference customers over the next 86 years. I have a hunch he was inveighed into writing his letter by a representative from some public power pressure group. I only wish he were permitted to hear both sides of this story.

Eighth. My good friend has also now coined a new definition of private enterprise. His view is that any business that is regulated does not come within his definition. This would encompass a gamut of activity including taxicabs, pipelines, and steamship companies. Also he claims that any industry which is eligible for rapid tax amortization is not free enterprise. Since this covers about every business in this country, I guess we do not have any free enterprise left. While sometimes I think we are rapidly approaching that stage, I thank God that there are still some of us left who recognize free enterprise when we see it. It is only free enterprise that pays taxes and is eligible for rapid tax amortization. It is a paradox for those groups who pay no taxes to call the kettle black.

Public power proponents continually say that electric companies are guaranteed exclusive territories in which to operate and guaranteed a prescribed profit. That is far from the facts. Municipalities can go to municipal operations and then deprive the companies of territory or industries can, and when economically justified do, install their own generating equipment. Furthermore, there is never any guarantee of profit. Under regulation, the companies have a right to earn up to a limited amount on their investment, but there is no guarantee that they can earn anything.

The free enterprise system permits the individual to work and invest his resources according to his choice. If anything, the risks of free enterprise are increasing in the electric power industry because of unfair Government competition and intervention, rather than decreasing.

With respect to construction of large dams and hydroelectric power projects by the "free enterprise" electric power industry, I have not the time to remind my colleagues of the many instances where it has been and is still being prevented from doing just that by opposition from the Department of the Interior. An example is the Mountain Sheep project now pending before the Federal Power Commission. It is strange that the public power advocates always piously support free enterprise when it does not interfere with their current ambitions but just let them be questioned on one of their pet projects and they cry as those plagued with a malignant disease.

Ninth. Throughout the first 40 years of its life the Bureau of Reclamation established itself as an outstanding engineering organization. It gained worldwide prominence for its advanced engineering designs and remarkable construction feats. It was during this period that it built the two projects, Grand Coulee and Hoover Dams, which received special awards for being included among the seven engineering wonders of the world. The Bureau established an enviable record in the development of irrigation projects consistent with the fundamental principles and objectives of the basic reclamation laws. It was always headed by a distinguished and renowned professional engineer.

However, at the end of World War II the public power advocates took over the organization and replaced the Engineer Commissioner with a New Deal newspaperman, Mike Strauss. Since that time it has reoriented its effort either openly or sureptitiously toward the objective of socializing the electric power industry in the United States. It has replaced sound engineering, economics and financing with political and ideological engineering, economics and financing. When the Solicitor's interest component shell-game opinion which tried to make $1 appear to repay $2 of investment cost was rejected in the late 1940's as being complete distortion of the intention of the law, the Bureau adopted the Colbran formula which is an even worse camouflage of the real financial repayment facts and an imposition on the taxpayers of the United States.

In the authorization and appropriation of funds for the Colorado River storage project it was necessary for the Congress repeatedly to admonish the Bureau to work cooperatively with the investor-owned electric companies to transmit, so far as possible, project power over the facilities of the electric utilities operating in the area. This the Bureau of Reclamation has repeatedly failed to do. It has refused to work with the utilities to determine the true defects in the all-Federal transmission line plan for the Colorado River storage project.

It has doctored up the finding of the consulting engineers hired to review and evaluate the plan. It is alarming how Government officials can take the facts brought out by these consultants and twist them completely around in attempts to justify their position. No reputable engineer would be a party to such distortions. The consulting engineers have unreservedly highlighted the defects in the Bureau of Reclamation plan. They point out that first, the Bureau's plan is inadequate, lacking in reserve capacity, and not designed to carry the loads set forth in the so-called yardstick system. Second, the Bureau's yardstick system would not have the same degree of reliability of service as the private utility systems. Third, since the Bureau's plan is not dependable as an independent network, it would call for increased facilities and correspondingly higher costs to achieve dependability. Fourth, the consultants took exception to all the O.M. & R. costs used by the Bureau. They found the operation and maintenance costs for the transmission facilities to be provided by the Federal Government under the combination plan to be unreasonably high. Application of costs was not a uniform basis in comparing the two systems. Fifth, since the so-called yardstick system cannot provide the same class of service that the interconnected system—wheeling system—can provide, a true comparison from a service value standpoint cannot be made. Sixth, construction costs would be equal to or greater than any similar lines yet constructed in this country. The Bureau's estimates do not reflect the remoteness and roughness of the country. The Bureau's estimates of transmission line costs are too low. Seventh, the consultants specifically stated that their report did not endorse the all-Federal transmission system.

In the light of these comments by the engineer consultants, questions can be raised not only as to the present competence of the Bureau's professional staff, but as to their integrity. The recommendations of the Bureau of Reclamation have been examined by competent and disinterested people and found sadly wanting.

Can the billion-dollar Colorado storage project development be any longer entrusted to such an unreliable and disaffected group of employees? The engineering profession has a great stake in the Colorado River transmission lines issue. It should disbar from membership in its organizations, or from any licensing or registration, those Government, as well as private, engineers who participated in this deliberate attempt to distort the true facts.

Secretary of the Interior Fred Seaton, on January 17, 1961, approved the yardstick Federal grid prepared by the Bureau of Reclamation, then as now under Commissioner Dominy. Shortly after taking office under the present administration, Secretary of the Interior Stewart Udall endorsed Secretary Seaton's approval of the yardstick plan. There is no doubt, therefore, and there is no quarrel with the fact that the basic Bureau yardstick, drawn up for the purpose of evaluating the utilities' wheeling proposal, was approved by both Secretaries, one Republican and one Democrat. From this point on, however, this supporter of the all-Federal grid conveniently transforms clear fact into cloudy fantasy.

As Commissioner Dominy should have known very well as of June 2, the yardstick system approved by Secretary Seaton and Secretary Udall earlier this year was not, on June 2, and is not now the system approved in the bipartisan decisions. The yardstick system, as Commissioner Dominy must know, has been modified to the point where it now bears only a broad relationship to the original concept approved by the two Secretaries. There are indications also that the Bureau plan for the all-Federal system will be modified further before the plans are frozen for programing purposes.

Tenth. The Congressman states that he would fight any effort of the Bureau of Reclamation to dominate the electric industry in the United States. The clarion call has long since sounded and its about time for the Congressman to put on his uniform. In 1920, 40 years ago, public power generation represented

.07 of a percent of the total generation in the United States.

Today it is about 25 percent. The illustrious chairman of our House Appropriations Committee said in 1955 at a hearing before a subcommittee of the House Committee on Government Operations:

I believe that the bulk of the business, say 90 percent or more of all production and distribution of electricity, should be by private utilities. At the same time, we should keep something like 10 percent or less in TVA, REA, and municipal ownership as a yardstick, as a policeman on the corner, to be certain that the consumers are not left at the mercy of a giant monopoly which would control completely the production and distribution of this commodity which is as important today, both in the city and on the farm, as air and water and sunlight.

I could not agree more. The only trouble is that we have long since broken through his ceiling. On the basis of the statements made during the past year by officials of the Department of the Interior, it can be expected that this tide will be accelerated.

Eleventh. Of course, we can never predict what our taxes are going to be and I agree that the companies' figure is only an estimate. On the basis of past experience our taxes are usually greater, rather than less, than we estimate. I am not going to argue about the accuracy of one figure against another, but I am glad to learn that the Congressman's independent sources of information admit that there will be hundreds of thousands of tax dollars poured into the Arizona economy under the combination plan compared to zero or possibly an increase in taxes under the all-Federal plan. The extra cost to the Federal Government of the all-Federal plan of some $136 million in construction investment alone is going to have to be raised somehow if that plan is adopted. I realize that taxpayers in the eastern part of the country will bear the greatest share of this additional burden but even the Congressman's own constituents are going to have to make some contribution to this added cost.

Twelfth. The vote in the House on the issue indicated a sharp difference in viewpoint. However, it did not represent a true cross-section of the sincere convictions of the individual members because of the pork-barrel characteristics of the bill. There were more threats of deletion of projects if support was not given to the all-Federal plan than I have ever seen or heard of on a public works appropriation bill. There is something for everybody in it. If the transmission line issue were separated and considered alone on its own merits, I am confident the results would have been different. Maybe we ought to require basic legislative authorization by specific lines hereafter, the same as we do in individual projects.

Thirteenth. As in any controversy of this kind the views of prominent, intelligent individuals can be cited in support of a position. Certainly the Governors of at least two of the four Upper Basin States who, as indicated above, have endorsed the combination plan, would qualify under this specification. None of the Governors of these four States testified in favor of the all-Federal plan. The agency designated by the Department of the Interior as the agency to maintain liaison with the four States of the upper division with reference to the allocation and transmission of storage project energy, the Upper Colorado River Commission, is certainly a prominent, intelligent, reputable, and qualified group of individuals.

Fourteenth. I note that the two major newspapers referred to in the Congressman's analysis as supporting the all-Federal transmission line plan are the two noted liberal press, the Washington Post and the St. Louis Post-Dispatch, with a long history of opposition to the free enterprise system. If that is the best impartial press he can cite in support of the all-Federal plan, I am more than ever convinced of the righteousness and merit of the combination plan. The prominent press of the area affected did not support the all-Federal plan and I would say that they know far more about the problem than the St. Louis Post-Dispatch and the Washington Post.

In summary, the most damaging indictment of the Bureau of Reclamation's actions is its complete disregard of the directions of the Congress to work cooperatively with the private utilities in the area to develop the best overall plan of transmission of storage project power, and its refusal, or probably its inability, to explain, justify, and openly defend its figures with sufficient supporting data. Its failure to let this information see the light of day in itself makes the analysis suspect. I hope that the Congress will arrive at a fair solution of this issue before it is too late to correct any mistakes that it might be making by hurried decisions in advance of agreement on the details.

I am satisfied that the Department of the Interior is working toward the construction of a national Federal network including both transmission and generation by steam and otherwise. I hate to see my misdirected colleagues, whom I hope do not believe in this Federal takeover of the electric industry, fall into the trap of supporting it because of some local pressure.

Editorials Published in Haverhill Journal and Manchester Union Leader in the Interest of American Shoe Workers

EXTENSION OF REMARKS
OF
HON. THOMAS J. LANE
OF MASSACHUSETTS
IN THE HOUSE OF REPRESENTATIVES
Wednesday, September 27, 1961

Mr. LANE. Mr. Speaker, under leave to extend my remarks in the RECORD, I include a random sampling of editorials published since 1958 by the Haverhill Journal and the Manchester Union Leader in the interest of protecting American shoe workers and their employers from unfair foreign competition. These and countless other editorials relating to the general theme of progress in the shoe industry have appeared in these newspapers:

[From the Union Leader, May 30, 1958]

WRITE TODAY

If you still have not written your Washington Representatives asking them to vote against President Eisenhower's move to extend the Reciprocal Trade Act, and to vote for the more reasonable substitute program, it's still not too late to do so.

As a matter of fact, since the big foreign trade bill debate will be coming up in the House next week, your letter to your Representative—if sent today—will probably do the most good. So even if you've already asked your Congressman to vote against the President's proposal to extend the act for 5 years and thus arm the Chief Executive with authority to reduce tariffs up to 25 percent, be sure to write again today—or your letter will arrive too late.

Although the substitute proposal is a compromise, it is a reasonable compromise in that it's a 2-year measure drafted and designed to produce more tariff-boosting than tariff-cutting, and, more importantly, the substitute bill would remove from the President the constitutional power he now holds to decide when tariffs should be raised to protect American industry, and return that power to Congress.

There seems to be a general misimpression that unless one works in an industry directly affected by our current mixed-up trade policies, one need not be concerned with this problem. Nothing could be further from the truth.

The real truth is this: When the textile industry or the shoe or hatmaking industry is hard hit by foreign imports, the economy of the entire New England area suffers. Much as some people would like to think so, the effect of ruinous—and unfair—foreign competition cannot be isolated to the industries involved. The resultant unemployment, to give only one example, becomes an immediate statewide problem.

So write that letter today to make sure it arrives in Washington before the start of one of the most important debates ever to occur on the floor of the House.

[From the Haverhill Journal, May 13, 1959]

IMPORTS AND THE WORKER

One of the most important actions taken at the recent convention of the United Shoe Workers of America is a demand for Federal restrictions on the imports of foreign-made footwear.

Anthony G. Accardi, of Haverhill, national director of the USWA, has stated that if the rise in imports that took place between 1957 and 1958 is repeated for the next 4 years, there would not be a shoeworker in the country working.

Not only is there a need to restrict shoe imports into this country, but there is also a need to restrict the export of leather from these shores. Unless there is combined action to cope with these two needs, serious economic problems will have to be solved in this area.

At the moment we are paying taxes that are used to buy leather and then send it overseas to shoe factories that have been constructed with tax money and whose operations are supervised by citizens of our country whose salaries are paid also by tax money.

All economists are concerned with the flow of gold from our shores caused by an excess of imports over exports. The shoe industry seems to us to be the ideal place to begin to correct this situation.

The leaders in the industry, such as Wallace McGrath, president of the New England Shoe and Leather Association, and the lead-

ers of labor, are pressing for necessary governmental action. Each and every resident of this area should join with them in an attempt to get action now—for unless we do, we shall all be in trouble.

[From the Haverhill Journal, May 4, 1959]

MORE ABOUT SHOE IMPORTS

The other day this newspaper brought to the attention of its readers the fact that foreign-made shoes were imported into this country during 1958 in greatly increased numbers in comparison with 1957 figures.

In the category of women's and misses' shoes, the principal product manufactured in this community, the increase in pairs amounted to 262 percent.

Wallace J. McGrath, president of the New England Shoe and Leather Association, states that this alarming rate of growth is of real concern to American manufacturers whose costs are fixed at high levels due to the sharp increase in the price of materials and the fact that labor's share in the price of American shoes is the greatest of anywhere in the world.

In this city, according to the Division of Employment Security, more than one-third of the labor force of the area is engaged in the manufacture of shoes and shoe components.

This means that any increase in the import of shoes, an increase that directly threatens the jobs of one-third of our citizens, also threatens the very existence of this community. Shoes made with labor that is paid slave or near-slave wages, and produced with machinery and materials that our foreign-aid money helps to purchase, should certainly be imported only under restrictions that provide a good degree of safety for our own workers and factories.

[From the Haverhill Journal, Apr. 28, 1958]

UNEMPLOYMENT AND HAVERHILL

It is the misfortune of many individuals in this city that they have been unemployed for a long period of time. Most of these people are shoeworkers who are out of work because the shoe industry is suffering greatly in the midst of this recession.

One of the greatest reasons for this more than mild recession that has overtaken the shoe manufacturers is the great rise in shoe imports. The novelty shoe made in Haverhill has great difficulty competing with the cheap imported shoe, made in a depressed economic area with American financial aid and constructed by cheap labor.

This country has become strong because it has bolstered labor. Workers get a good wage for good work. If we permit products manufactured with near-slave labor, and incidentally, made with machinery we purchased, to compete without imposing fair tariffs, we are destroying our own economy.

And now, we're having difficulty increasing the benefit period of unemployment—unemployment caused by the policies brought into effect by the very people who refuse to aid the afflicted.

We hope the line on Main Street in front of the Employment Security Office doesn't get any longer. But we urge immediate action to increase the benefit period so that those now suffering will be aided.

[From the Haverhill Journal, Aug. 10, 1960]

CONCESSIONS THAT MUST BE STOPPED

George Fecteau, president of the United Shoe Workers of America, recently made an impassioned plea before two Federal committees for the elimination of any concessions given the importation of shoes.

There are more than 225,000 workers in the shoe and allied industries. The great rise in shoe imports that has taken place in recent years threatens the employment of every one of them.

In 1949, 3 million pairs of shoes were imported into this country. Ten years later, imports of shoes rose to the alltime high of 80 million pairs, while during that same period, our exports have dropped by 2 million pairs.

This situation points the way to disaster.

The great majority of shoe imports are produced in countries which maintain only minimum standards of living for workers. If the living standard of our own workers is not to be threatened, Federal protection is greatly needed.

This country has taken an economic shellacking in this field. Not only are workers paid slave wages in these countries which are now threatening the shoe industry, but we have sent our best technological assistance to them to help them give us a drubbing. It's about time we paid some attention to the needs of our own workers. And our own industries.

[From the Haverhill Journal, Sept. 11, 1958]

OUR LEADING INDUSTRY

Essex County last year was the Nation's leading footwear producing county.

This is no surprise to the Greater Haverhill resident who knows how much the employment figures in Haverhill depend on shoe production.

More than 7,000 people are working in shoe factories and allied industry in this city. And that figure is exclusive of those who work in tanneries.

There has been much talk about the need to diversify industry in our city. Many people have said that it is a bad situation to have half of your employable people working in one industry, depending on its seasonal drives and its normal ups and downs.

We don't dispute that, but we do argue with those who want to drive the shoe industry from our midst. By all means, let's expand our industrial outlook, but not at the expense of our traditional industry that has fed and clothed us for years.

Let us do what we can to help our leading employer. We must do what is possible to stabilize it, and then we can point with pride at it when we go foraging for other enterprises.

Yes, we want new industry for our community, but we must remember that in our quest for the new, we must not forget the old.

[From the Haverhill Journal, Oct. 14, 1958]

PROSPECTS

An article appearing recently in the Journal made note of the fact that one-third of all shoes made in the United States last year were manufactured in New England.

It is Massachusetts' proud boast that more shoes are made here than in any other New England State.

At the end of this month the National Shoe Fair will be held. This is a trade show in Chicago at which 95 percent of all the shoes produced in the country will be represented. It has great significance to Haverhill, because at this show, orders will be placed that will determine the extent of success that our highest employing industry will enjoy for the coming year.

From all indications, particularly those seen at the Advance Spring Market Week recently held in Boston, the shoe industry will be in for a good year productionwise. It is expected that the coming year will see production figures approach a record mark.

Of course, production alone does not determine a successful year. Manufacturers must find ways of keeping steadily climbing costs in control if they are to continue to produce and make a fair profit.

But if production can be kept at a high figure, we all will feel better, and we are sure other troubles will eventually be solved.

We wish all manufacturers in the Haverhill area good business at their Chicago exhibits and we hope they all return with good sized orders.

[From the Haverhill Journal, Apr. 15, 1959]

TYPICAL INEFFICIENCY

While the shoemen of this city and this country are scurrying in search of leather produced from cattle hides at fair prices; while the Justice Department investigates the recent extraordinarily rapid rise in hide prices; while Iron Curtain countries have greatly multiplied their consumption of the world cattle hide market; while all of this is going on, Secretary of Agriculture Ezra T. Benson continues to allow cattle hides to remain on his surplus commodity list.

Any shoeman in the country can testify to the fact there is no surplus in the hide market. France and Italy have placed restrictions on the export of their hides in recognition of a worldwide shortage. But the present administration of this country refuses to recognize that fact.

And as long as the facts go unrecognized, foreign aid funds will be used for the purchase of hides.

This means that other countries will be able to purchase this now precious leather at reduced rates. Then these countries will utilize almost slave labor to produce shoes that will be imported by this ccuntry and sold at prices that will cut the throats of the domestic manufacturer and shoeworker.

This is a situation that would be ridiculous if it were not so dangerous. Haverhill and other areas that depend upon the production of leather and shoes for the maintenance of their standard of living cannot expect to survive as long as such misgovernment is permitted to continue.

We call upon the administration to recognize that relief is needed—and needed now.

[From the Haverhill Journal, Nov. 18, 1959]

STATISTICS AND A THREAT

The rapid rise in the importation of foreign made shoes into this country over the past 2 years has caused a reaction from both management and labor within the industry.

George Fecteau, national president of the United Shoe Workers of America, recently sent a letter to all American shoe manufacturers seeking a unified effort to stem the flow.

He cited statistics which show that while export of U.S.-made shoes dropped from 8 million pairs to 4 million pairs in the last 10 years, imports of foreign-made footwear have grown from 3 million to 20 million pairs in the same period.

These figures demonstrate the existence of a situation that, if allowed to continue to exist, could result in a serious threat to the industry.

With all its problems, the manufacture and sale of shoes in this country is an excellent example of free enterprise. There are no administered prices on its merchandise. The price of its products is determined by their costs and these are set by supply and demand.

Unless the threat posed by importation statistics is recognized and dealt with in a reasonable and unified manner, domestic monopolies will be the only manufacturers continuing. Free enterprise and the capitalistic system will be dealt a serious blow.

[From the Haverhill Journal, Apr. 18, 1958]

THE NEW HORIZON

The passing of the Ides of March has left at least one bright star hovering over the small, independent shoe manufacturing industry. The Federal Trade Commission's ruling in regard to the International Shoe Co.'s "consent decree" clause contained in the contracts with its retailers, opens a new

market for the smaller shoe manufacturers.

The "consent decree" is a rather meaningless title for the contractual clause which states that in return for loans or business services from the International Shoe, its retailers would agree to buy exclusively from that company. The ruling of the Federal Trade Commission against this clause release some 1,200 retail stores to open-market buying.

This ruling is most important to our area where approximately half of our working force is employed in the shoe and allied trade industry, and also proves that a unified effort on the part of a small independent group can result in a favorable finding against such a giant of the industry as International Shoe.

Congratulations on a job well done.

[From the Haverhill Journal, June 22, 1960]

TOO LITTLE—TOO LATE

The New England Shoe and Leather Association has issued a call for immediate governmental action to provide protection for the shoe industry against the flood of foreign made goods now being imported.

This has become a distressingly serious situation, how distressing can be easily determined from one fact alone; the domestic production of rubber footwear for the first quarter of this year was exceeded by the import of foreign-made goods for the first time in history.

A total of 30,790,000 pairs of such footwear was imported during that 3-month period.

The major sources of these goods are Japan and Hong Kong, regions where wages in the industry average between 20 to 30 cents per hour.

If our charity to these areas is to continue, charity which, incidentally, seems to be completely unappreciated, we must keep our domestic economy at a high peak of strength.

Permitting unfair competition such as this to continue unabated will result in the failure of many of our shoe producers in this area and will present us with an unemployment problem of near unsolvable dimensions.

Protection is needed and is needed now.

[From the Haverhill Journal, Aug. 9, 1958]

TRADE SHOWS

The stereotyped picture of a businessman at a convention was blown to little pieces in the mind of a repersentative of this newspaper recently.

In attendance at the Allied Shoe Products Show and the Leather Show held in New York during the first week of August, that representative came back impressed with the caliber of men in the shoe and leather trade.

While, of course, not all of their waking hours were spent talking business, certainly very few of them were spent doing anything else. The lobby of the Waldorf-Astoria, where the leather show was held, was filled with conversation about colors and textures and naturally, prices, until the early hours.

A the New York Trade Show Building, where the allied products group exhibited, prices and new methods were the main topics of conversation.

From all reports, shoe business will be good this coming year. If it is, the men in attendance at these shows will play a great part in causing that success. We salute them, not only for their business astuteness, but also for their careful attention to the new things in their trade.

We wish them continued success.

[From the Haverhill Journal, Dec. 22, 1958]

GOOD START

January 1, 1959, will see the beginning of operations in Haverhill by the Edward Newhall Slipper Co., a firm that expects to employ about 75 persons in its new quarters in the Pentucket Building on Duncan Street.

"Industry coming to Haverhill," has a pleasant sound. While, of course, this particular manufacturing concern cannot be considered large, it will, nevertheless, make a good start for Haverhill in 1959.

Haverhill has always been blessed with the type of worker that this new concern needs. While Haverhill people have had a long tradition of working with leather goods, it is not that particular facility which makes Haverhill so attractive. Rather, it is the ability of the Greater Haverhill workers to do things with their hands that workers in other parts of this country find extremely difficult to accomplish as well.

Verification of that fact can be obtained by inquiries addressed to foremen and superintendents of plants that are located elsewhere in New England—plants that have to their sorrow decided on locating elsewhere because they felt the labor price differential was so important.

We hope that the Edward Newhall Slipper Co. will prosper beyond its dreams. We congratulate its officers on their decision to come to Haverhill.

[From the Haverhill Journal, Aug 25, 1961]

BASIC ECONOMICS

Legislation has been filed by U.S. Representative WILLIAM H. BATES which seeks to place quotas on the importation of shoes and other articles for the benefit of designated industries.

This legislation has been drawn in anticipation of battles over tariffs expected to take place during the coming year. The standard of living in the United States and the strength of organized labor have resulted in working conditions and wage levels that are far higher than those enjoyed in any other country in the world.

In Europe, the complexities of modern economic life have resulted in the establishment of a combination of countries known as the Common Market. Member nations are attempting to develop a free market between themselves, reducing tariffs which previously existed. In the meantime, a high tariff has been imposed restricting business with nations not members of the Common Market.

This country must seek the establishment of tariffs which are sufficiently high to protect our domestic industry, especially in regard to those countries who have acted in such a way as to make it difficult for us to do business with them.

We certainly hope that the legislation sponsored by Representative BATES will be accepted and passed at the next session of the Congress.

Frank L. Boyden, of Deerfield Academy

EXTENSION OF REMARKS

OF

HON. JOHN W. McCORMACK

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 27, 1961

Mr. McCORMACK. Mr. Speaker, there is little of praise and admiration that remains to be spoken of the character and personality of Dr. Frank L. Boyden. All too often, in contemporary speech, in search of eloquence, there is a tendency toward the careless and therefore meaningless overuse of superlatives in recognition of the events and personalities of our times.

There are few superlatives which remain to be spoken of the gentleman from Deerfield Academy, and there are none that have been said that are not fitting and proper.

I have never read, nor could I ever deliver, words which would adequately reflect the regard which I personally have for Mr. Boyden. The very qualities which endear him to his multitude of friends and which earn for him the unstinted respect of his contemporaries, defy commitment to words. Words alone are not enough. To know and appreciate the true character of the headmaster and his great school, one must know them personally.

I have known Frank Boyden and his work for far more years than I or he perhaps can or would remember, and I never cease to wonder at and be amazed by the dichotomy of his accomplishments. It occurs to me that without the slightest hint of insincerity, Frank Boyden is genuinely and ably, everything to everybody.

Reference is often made to the Deerfield Academy motto, "Be Worthy of Your Heritage," as symbolic of the character of the school and the colorful town in which it is located. To me, it is not enough to recognize this fact alone, for indeed, Mr. Boyden himself is a very significant part of his heritage which his motto commits to our attention. While he personally would be the last to recognize and acknowledge such a fact, and perhaps would even unassumingly deny such a comparison, Dr. Frank Boyden is the very personification of the spirit of the New England Yankee. The spirit which is, in fact, this heritage. His life and deeds, to which we all pay tribute, are an integral part of this spirit, a spirit not only characteristic of New England, but of our great Nation as well.

As a Member of Congress, a citizen, and a personal friend, I am sincerely pleased and honored to add my praise and congratulations to the remarks that have been said of this true gentleman, and great American, Dr. Frank Boyden, headmaster of Deerfield Academy.

Summary of Legislation Considered by the House Banking and Currency Committee, 1st Session, 87th Congress

EXTENSION OF REMARKS

OF

HON. BRENT SPENCE

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 27, 1961

Mr. SPENCE. Mr. Speaker, under leave to extend my remarks, I include a summary of the legislation considered by the House Banking and Currency Committee during the 1st session of the 87th Congress and enacted into law:

LAWS ENACTED, FIRST SESSION

MOBILE 250TH ANNIVERSARY MEDAL

Public Law 87-21—House Report 185

S. 900: This act directed the Secretary of the Treasury to strike a national medal commemorating the 250th anniversary of the founding of Mobile, Ala. Up to 5,000 of the

medals were authorized, to be delivered to the Mobile Two Hundred and Fiftieth Anniversary Celebration Corp., upon payment of all costs.

S. 900 passed the Senate March 15, 1961; passed the House April 11, 1961; and became law on April 24, 1961.

AREA REDEVELOPMENT ACT

Public Law 87–27—House Reports 186 and 256

S. 1 (H.R. 4569): This act establishes a new program to help areas of substantial and persistent unemployment and underemployment. It created an Area Redevelopment Administration in the Department of Commerce, and authorized the Secretary of Commerce to designate two types of redevelopment areas (roughly, industrial areas and rural areas) as eligible for this aid. Eligible industrial areas include those where there is 6 percent unemployment and where the annual average rate has been at least (a) 50 percent above the national average for 3 of the preceding 4 years, (b) 75 percent above the average for 2 of the preceding 3 years, or (c) 100 percent for 1 of the preceding 2 years. The Secretary may also designate other industrial redevelopment areas if he finds on the basis of comparable standards, that they have suffered from substantial and persistent unemployment over an extended period. In addition, the Secretary is authorized to designate rural redevelopment areas, including low-income areas, areas previously designated under the Agriculture Department's developing program, areas of low-production farming, and Indian reservations.

The act authorizes loans for industrial and commercial projects, and loans and grants for public facilities, in redevelopment areas. Loan funds of $100 million each were established for loans in industrial and in rural areas to finance industrial and commercial projects. The interest rate on these loans cannot exceed current average yields on marketable U.S. obligations of comparable maturities, plus one-half of 1 percent to cover the cost of administration. Such loans are limited to 65 percent of the total financing required for the project. The act also established a $100 million loan fund for local public facilities directly related to the economic improvement of the redevelopment areas. Such loans bear interest at a rate equal to the average rate on all outstanding Federal debt plus one-fourth of 1 percent. In addition, $75 million was authorized for appropriation to make grants for public facilities in these areas.

Before an area can receive this assistance it must undertake an economic study of its employment problems to establish that redevelopment is feasible and to indicate the best uses of the assistance available. It must then submit an overall economic development program to the Secretary of Commerce for his approval. Loans and grants will be made only for projects consistent with the approved program. The act explicitly prohibits the use of any of the aids provided to transfer industry and employment from one place to another.

The act also authorizes appropriations of $4.5 million annually to be used by the Secretary for technical assistance to communities in alleviating or preventing unemployment or underemployment. Additional appropriations of $4.5 million annually are authorized to assist in training unemployed or underemployed residents of redevelopment areas to qualify them for new jobs. Appropriations of $10 million annually are authorized for subsistence payments, based on State unemployment compensation benefits, to individuals receiving such training who are not receiving unemployment compensation.

The act also waives certain requirements of the urban renewal program to make urban renewal assistance more readily available for industrial redevelopment areas.

S. 1 passed the Senate March 15, 1961. It passed the House with an amendment in the nature of a substitute on March 29. The conference report was agreed to by the Senate on April 20 and by the House on April 26. The President approved the bill on May 1, 1961.

INTERIM INCREASE IN FHA AUTHORIZATION

Public Law 87–38—No House report

Senate Joint Resolution 89: This resolution provided a temporary increase of $1 billion in the Federal Housing Administration's authority to insure mortgages. This was needed to keep the FHA program in operation pending enactment of the Housing Act of 1961, described below.

It passed the Senate and House on May 18, 1961, and was signed into law on May 25, 1961.

DUPLICATES OF ROBERT FROST MEDALS

Public Law 87–39—House Report 373

S. 712: Public Law 86–747, enacted September 13, 1960, authorized the President to present a gold medal to Robert Frost, New England poet. It made no provision for bronze duplicates of the medal. Because of the public interest in the medal, Public Law 87–39 was enacted, amending the 1960 act so as to authorize the Secretary of the Treasury to coin bronze duplicates and make them available to the public at a price sufficient to cover their cost.

S. 712 passed the Senate on March 21, 1961; passed the House on May 15, 1961; and was approved by the President on May 25, 1961.

GOLD MEDAL FOR DR. THOMAS ANTHONY DOOLEY III

Public Law 87–42—House Report 374

House Joint Resolution 306: This act authorized the President to award a gold medal posthumously to Dr. Dooley in recognition of his gallant and unselfish public service in providing medical care for the underprivileged peoples of the world, particularly in southeast Asia.

House Joint Resolution 306 passed the House May 15, 1961; passed the Senate May 23; and was approved by the President May 27, 1961.

GOLDEN ANNIVERSARY OF NAVAL AVIATION

Public Law 87–43—House Report 375

House Joint Resolution 398: This act authorized the Secretary of the Treasury to manufacture a galvano commemorating the 50th anniversary of naval aviation, and to present it to the Secretary of the Navy in connection with the anniversary celebration at Pensacola, Fla.

House Joint Resolution 398 passed the House May 15, 1961; passed the Senate May 23; and was approved by the President on May 27, 1961.

OLD SERIES CURRENCY ADJUSTMENTS

Public Law 87–66—House Report 500

S. 1619 (H.R. 5306): This act authorized the Treasury to adjust its accounts with respect to the large-size currency issued before 1929 and the gold certificates issued between 1929 and 1934.

At the time it was enacted, the Treasury and the Federal Reserve System held about $98 million in gold, silver, and other assets as security for this currency. The act authorized the Secretary of the Treasury to transfer to the general fund of the Treasury the gold and silver (amounting to about $61 million) held by the Treasury as security for this old currency. After enactment, the transfer was made for the amount outstanding July 1. This was credited as a public debt receipt, and the dollar amount of the currency was set up on the books of the Treasury as public debt bearing no interest. The act also provided for payment to the Treasury by the Federal Reserve banks of some $37 million, the amount of old series Federal Reserve notes outstanding. With this payment (made after enactment for the amount outstanding as of July 1), the Federal Reserve banks were relieved of liability on these notes, and the Treasury assumed full responsibility for their redemption and set them up on its books as public debt bearing no interest.

This process made the $98 million available to the Treasury for current use, reducing the Government's need to borrow an equivalent amount, and saving $3 to $4 million of interest a year.

The act provided that any of the currency affected should be redeemed from the general fund of the Treasury if presented; it did not impair the value or redeemability of these notes in any respect.

It also authorized the Secretary of the Treasury to determine, from time to time, how much of this old currency has been irretrievably lost or destroyed, and to make corresponding reductions in the noninterest-bearing public debt. Finally, the Secretary was authorized to preserve one piece of each kind of currency issued, in order to establish a historical collection.

S. 1619 passed the Senate on May 15, 1961. It passed the House on June 19, and became law on June 30, 1961.

HOUSING ACT OF 1961

Public Law 87–70—House Reports 447 and 602

S. 1922 (H.R. 6028): The Housing Act of 1961 was an omnibus measure covering most of our programs in the field of housing and urban affairs. Title I authorized several new programs to aid families of moderate income. The program of FHA mortgage insurance under section 221, previously restricted to families displaced by urban renewal or other Government action, was made available to all families, thereby providing liberal mortgage credit terms generally. Under this section homes priced up to $11,000 in normal-cost areas ($15,000 in high-cost areas) can be bought with as little as 3 percent downpayment and with loan maturities up to 35 years with an additional 5 years authorized if needed. This title also amended the section 221 rental housing program to permit loans with interest rates as low as 3⅛ percent in order to reduce monthly rental costs. Funds for these loans can be made available under FNMA special assistance. A new program of home improvement loan insurance under FHA was also established. Such loans may amount to as much as $10,000 per dwelling unit and carry maturities up to 20 years. In order to encourage new cost-saving materials and methods, the act also authorized a new program of FHA insurance for experimental housing.

Title II of the act contained measures to assist elderly families and those of low income. An additional $75 million was authorized for appropriation for the program of direct loans for housing for the elderly and, at the same time, the 2-percent equity requirement was eliminated so that loans can now be made for the full amount of the development cost. The act restored the full dollar authorization for low-rent public housing provided in the Housing Act of 1949, thereby permitting the construction of approximately 100,000 additional units. The Public Housing Administration was also authorized to make an additional subsidy payment of up to $120 a year in cases where income and rent-paying capacity of elderly occupants is so low as to threaten the solvency of a project. The act also abolished the requirement that there be a gap of 5 percent between the maximum income for admission to low-rent housing and the income required to obtain decent, safe, and sanitary housing in the private market in the case of families displaced by Government action. The income gap was also abolished for elderly families. This title also authorized $5 million for Federal grants for the purpose of developing and demonstrating new

and improved housing for low-income families.

Title III authorized an additional $2 billion for urban renewal capital grants and also raised the Federal share of net urban renewal costs from two-thirds to three-fourths in the case of small towns up to 50,000 population, and depressed areas up to 150,000 population. Business firms displaced by urban renewal projects were benefited by provisions authorizing the Federal Government to pay the full amount of moving expenses (previously limited to $3,000) and by authorizing liberal loans through the Small Business Administration to help displaced business firms to meet the expenses of reopening in new locations. Assistance under the urban renewal program was extended to cover rehabilitation demonstration projects carried out by local public agencies. The proportion of funds which can be used for nonresidential urban renewal projects was raised from 20 to 30 percent. Hospitals were extended the same advantages in the urban renewal program as previously authorized for colleges and universities in the 1959 Housing Act. Under this provision certain expenditures by hospitals can be counted as part of the community's one-third (or one-fourth) share of urban renewal costs and the "predominantly residential" requirement is waived. Funds for urban planning grants were increased by $55 million and the Federal share of these costs was raised from one-half to two-thirds.

Title IV authorized additional funds for the college housing program, totalling $1.2 billion over a 4-year period.

Title V expanded and liberalized the public facility loan program. The act authorized $450 million for these loans which can be made to communities up to 50,000 population (up to 150,000 if in a depressed area). The interest rate on these loans was reduced by providing that it may not exceed (1) 3 percent, or (2) the average interest rate on all outstanding interest-bearing U.S. obligations plus one-half of 1 percent. An additional $10 million was authorized for the advanced planning program for local public works.

This title also contains a new, interim program of Federal aid for mass transit in urban areas, pending completion of longer range studies. Loans to public bodies are authorized for the acquisition, construction, and improvement of transportation facilities up to a total of $50 million. An additional $25 million is made available for demonstration grants (up to two-thirds of project costs) for projects designed to explore ways of overcoming mass transit problems. It also provides specific authority for grants under section 701 of the Housing Act of 1954 to develop comprehensive plans covering mass transportation as well as other urban problems.

Title VI contained amendments to the National Housing Act affecting the Federal National Mortgage Association and the Federal Housing Administration. The FNMA special assistance fund was increased by $750 million. In addition, the unused balance of existing authority provided by the Emergency Housing Act of 1958 (about $200 million) can be used at the discretion of the President. Also, repayments which FNMA receives on its management and liquidation fund (about $140 million a year after payment of interest to the Treasury and other expenses) can be used for special assistance purposes for a period of 4 years. Another provision authorizes FNMA to make short-term loans on security of pledged FHA and VA mortgages. Such loans can be for 80 percent of the amount of the pledged mortgages and can run for 12 months.

This title also removed the dollar ceiling on FHA mortgage insurance and in place of it extended the program to October 1, 1965.

FHA's basic homeownership program (sec. 203) was liberalized by giving the Commissioner authority to reduce downpayments above the $13,500 level. The new minimums are as follows: 3 percent of the first $15,000 of value, 10 percent of the next $5,000, and 25 percent of any amount above $20,000. The maximum mortgage was increased to $25,000 for single-family homes (formerly $22,500). Under previous law, minimum downpayments were: 3 percent of the first $13,500 of value, 10 percent of the next $4,500, and 30 percent of any amount over $18,000. Also, to reduce monthly payments, the maximum maturity was extended from 30 to 35 years for newly built homes.

Other provisions of this title authorized FHA insurance of supplementary loans made to management-type cooperatives for improvements and repairs for necessary facilities; gave the FHA Commissioner discretionary authority to reduce the insurance premium to as low as one-quarter of 1 percent; and increased the loan-to-value ratio of FHA insured mortgages on nursing homes from 75 percent to 90 percent.

Title VII authorized a new program of partial Federal grants to State and local governments to help them acquire land for parks and recreational areas and other permanent "open space" use. Such grants may cover up to 30 percent of acquisition cost, and $50 million is authorized for this aid.

Title VII extends the farm housing loan programs for 4 years and authorizes an additional $200 million for these loans. Nonfarm housing in rural areas is made eligible as well as farms. Also a new program of mortgage insurance on housing built for domestic farm laborers is authorized.

Title IX contains a number of miscellaneous provisions. The most important of these are four affecting Federal savings and loan associations. To help finance housing for the elderly, these associations are permitted to invest up to 5 percent of their assets in loans on such housing, including rest homes or nursing homes, with a maximum term of 30 years and a loan-to-value ratio of up to 90 percent. Second, to facilitate trade-in home financing, these associations are authorized to invest up to 5 percent of their assets in nonamortized loans with terms up to 18 months, and loan-to-value ratios up to 80 percent. Third, they are permitted to invest up to 5 percent of their assets in certificates of urban renewal trusts, thus permitting a number of associations to pool their resources to finance urban renewal housing. Finally, they are authorized to lend to or invest in business development credit corporations, up to $250,000 or one-half of 1 percent of their outstanding loans, whichever is smaller.

In addition, this title extends the voluntary home mortgage credit program to October 1, 1965.

S. 1922 passed the Senate on June 12, 1961. It passed the House with an amendment substituting the provisions of H.R. 6028, on June 22. The conference report was agreed to by the Senate and the House on June 28, and the President signed the bill into law on June 30, 1961.

EMERGENCY FEED FOR WILDLIFE

Public Law 87-152—House Report 746

S. 614: This act authorized the use of surplus grains owned by the Commodity Credit Corporation to feed wildlife in emergencies, such as severe ice and snow conditions or drought.

The act permits the States in such emergency situations to obtain grain from the Commodity Credit Corporation to prevent starvation of resident game birds and other resident wildlife. Such grain may be furnished, subject to CCC regulations, upon the following conditions: (1) It must be requested by the State fish and game authority or other State agency with similar authority; (2) the Secretary of the Interior must find that the area involved is threatened with serious damage or loss to resident game birds and other resident wildlife from starvation; (3) the State must requisition the grain from CCC; (4) the State and CCC must agree upon the quantities needed; and (5) CCC must be reimbursed by the State for its expenses in packaging and transporting the grain.

Similar authority is granted to the Secretary of the Interior to requisition grain from CCC to feed migratory birds (as opposed to resident game birds, covered by the provisions described in the preceding paragraph) which are threatened with starvation.

S. 614 passed the Senate on June 22, 1961; passed the House on August 7; and became law on August 17, 1961.

ANNUAL APPRAISAL OF COMMODITY CREDIT CORPORATION

Public Law 87-155—House Report 751

S. 763: This act did away with a requirement, originally imposed in 1938, that the Secretary of the Treasury make an annual appraisal of the assets and liabilities of the Commodity Credit Corporation. This appraisal was required each year as a basis for determining the amount of appropriation, if any, authorized to reimburse CCC for net losses realized in the preceding fiscal year. The new act continues to authorize appropriations for this purpose, but provides that CCC's realized losses shall be determined on the basis of its financial statements (subject, of course, to audit by the General Accounting Office) rather than requiring an independent appraisal by the Secretary of the Treasury.

S. 763 passed the Senate July 17, 1961; passed the House August 7; and became law August 17, 1961.

INTERNATIONAL FINANCE CORPORATION INVESTMENT POWERS

Public Law 87-185—House Report 501

H.R. 6765: This act authorized the U.S. Governor of the International Finance Corporation to agree to an amendment to the Corporation's charter as so to authorize it to invest in capital stock.

The International Finance Corporation is an international organization established to stimulate private investment, including equity investment, in the less developed countries which are members of the International Bank for Reconstruction and Development. It carries out this purpose by investing in private enterprises in association with American and foreign private investors.

Under its original 1956 charter, IFC's investments could take the form of conventional, interest-bearing loans or they could be equity-type investments involving the use of convertible debentures, stock options, or other devices, but IFC could not invest in capital stock. This limitation, according to testimony received during the hearings on H.R. 6765, severely restricted IFC's ability to carry out its primary function of stimulating private enterprise in the less-developed areas.

The amendment to the charter as authorized by this act contains safeguards against IFC exercising management responsibilities in the private enterprises in which it invests.

H.R. 6765 passed the House on June 19, 1961. It passed the Senate on August 25, and became law on August 30, 1961. On the following September 5, the President of the International Finance Corporation announced that the votes required to put the charter amendment into effect had been received.

STRENGTHENING FEDERAL SAVINGS AND LOAN INSURANCE CORPORATION

Public Law 87–210—House Report 823

H.R. 7108: This act is designed to increase the reserves of the Federal Savings and Loan Insurance Corporation, which insures accounts in savings and loan associations up to a statutory limit of $10,000. This will be accomplished through a system of premium prepayments by insured institutions. For most institutions, the required prepayments will be roughly offset by reducing the stock they must purchase in their Federal home loan bank.

Today, savings and loan associations that are members of the Federal Home Loan Bank System must hold stock in their Federal home loan bank equal to 2 percent of their outstanding home loans. The new act, which will take effect January 1, 1962, will reduce this requirement to 1 percent, but it will not allow any institution that is a member on January 1 to reduce its stockholdings below 2 percent of its unpaid loan principal on that date or 2 percent of its unpaid loan principal at the beginning of any subsequent year, whichever is lower. A reduction below the former figure may be made only to the extent allowed by the Federal Home Loan Bank Board.

The required premium prepayment for an insured institution under the new act will be equal to (A) 2 percent of the net increase in accounts of its insured savers during the preceding calendar year, minus (B) the net increase during that year in the stock it must hold in its Federal home loan bank. These prepayments will be credited to a "secondary reserve," which the Corporation is directed to establish in addition to its "primary reserve," which is to be the general reserve of the Corporation. The prepayment requirement will be suspended after the primary and secondary reserves together reach 2 percent of all accounts of insured savers and all creditor obligations of insured institutions. Prepayments must be resumed when this total falls to 1¾ percent. The obligation to make prepayments will cease permanently when the primary reserve reaches 2 percent. When that happens, the obligation to make regular premium payments will be suspended for institutions that have been insured 20 years or more. Regular payments must be resumed, of course, if the primary reserve falls below 2 percent.

FSLIC projections indicate the two reserves together will reach 2 percent for the first time in 1970, whereas the primary reserve alone will reach that figure sometime between 1993 and 1995. Thus, if the projections are correct, the new act will produce a 2-percent reserve ratio about 25 years sooner than previous law would.

H.R. 7108 passed the House on August 7, 1961; passed the Senate August 29; and was approved by the President on September 8, 1961.

ELECTION OF DIRECTORS OF FEDERAL HOME LOAN BANKS

Public Law 87–211—House Report 825

H.R. 8277: This act, which will take effect January 2, 1962, will improve and simplify the election of directors of the Federal home loan banks.

Today, the elective directorships are divided into four groups: class A, representing large member institutions; class B, representing medium-size members; class C, representing small members; and directors elected without regard to class. In addition, the Federal Home Loan Bank Board has provided by regulation for representation of each State in the district by a minimum number of elective directors ranging from one to three depending on the Federal home loan bank involved.

The interaction of these two requirements (division into four groups, plus minimum representation for each State) has resulted in a complex system of election under which the Federal Home Loan Bank Board may pass over a candidate who received a plurality of votes for a particular directorship and declare another candidate elected, or hold a runoff election among other candidates, in order to assure representation for a particular State.

The basic change made by the new act is to abandon the division of elective directors into classes. Instead, the act provides for apportioning the elective directors among the States in the Federal home loan bank's district by allotting a minimum of one directorship per State, with the remaining directorships distributed in approximate proportion to the shares of the Federal home loan bank's stock required to be held by member institutions in each State. No State will be allotted more than six directorships. Each State will be entitled to at least as many elective directors as it had on December 31, 1960, and the Board will add directors where necessary for this purpose.

Each directorship allotted to a State will be filled by an officer or director of a member institution in that State, nominated and elected by the member institutions in that State. In the election, each member institution may cast as many votes as the number of the bank's shares it is required to hold (which in turn is based on its home loans outstanding), except that no member may cast more votes than the average required stockholding for all members in the State. Any candidate receiving a plurality of the votes cast for a directorship will be elected.

The act also prohibits any director from serving more than three consecutive terms, and clarifies the Board's power to appoint directors in two situations: First, where a vacancy occurs in an elective directorship of an existing Federal home loan bank, and second, where a new Federal home loan bank is organized and it is necessary to make initial appointments of elective directors as well as appointive directors to get the bank started.

H.R. 8277 passed the House on August 7, 1961. It passed the Senate on August 29, and was approved by the President on September 8, 1961.

INTERIM INCREASE IN SBA BUSINESS LOAN AUTHORIZATION

Public Law 87–198—No House report

H.R. 8922: This act increased the ceiling on the amount of regular business loans the Small Business Administration may have outstanding, from $575 million to $595 million. This increase was needed to keep the business loan program in operation pending action on H.R. 8762, described on page 11, which provided a longer term increase.

H.R. 8922 passed the House on August 29, 1961. It passed the Senate on August 30, and was approved by the President on September 5, 1961.

EXPORT GUARANTEES AND INSURANCE

Public Law 87–311—House Report 1126

S. 2325 (H.R. 8381): This act authorizes the Export-Import Bank to guarantee, insure, coinsure, and reinsure against political and credit risks of loss arising in connection with U.S. exports.

Such a program is needed to place American exporters on an equal basis with foreign competitors. Private insurance companies have been reluctant to meet this need, but the new act is designed to encourage private enterprise to provide export guarantees and insurance coverage to the fullest extent practicable. It is anticipated that at the outset export guarantees and insurance will be issued through an association of insurance companies, with the companies assuming a portion of the credit risks, and the Bank assuming part of the credit risks and all of the political risks.

The Bank's liability under the new program is limited to $1 billion outstanding at any one time. The program will be established on a self-supporting basis, with fees and premiums being charged commensurate with the risks covered. The Bank is required to set up reserves to cover its potential liabilities under the program at a ratio of 25 cents for each dollar of liability. The same ratio will be used in charging contracts written under the new program against the $7 billion ceiling on loans, guarantees, and insurance which the Bank is authorized to have outstanding at any one time under section 7 of the Export-Import Bank Act of 1945.

S. 2325 passed the Senate on August 25, 1961. It passed the House with amendments on September 13. The Senate agreed to the House amendments on September 14, and the President approved the bill on September 26, 1961.

SMALL BUSINESS ACT AMENDMENTS OF 1961

Public Law 87–305—House Reports 1039 and 1180

H.R. 8762: This act provided additional authority needed for the Small Business Administration's regular business loan program. Under previous law, SBA was authorized to have up to $595 million outstanding in business loans, and to take Government procurement contracts in amounts up to $25 million and subcontract them to small business concerns. Under the new act, these two authorizations are merged, and the combined authorization is increased by $105 million, to $725 million, estimated to be sufficient through June 30, 1962.

A program designed to assist small business concerns in obtaining a fair share of subcontracts let by prime contractors performing under procurement contracts with the Department of Defense and the General Services Administration is also provided for in the new act. Under this provision these two agencies and the Small Business Administration will develop the subcontracting program cooperatively. The program will provide that all contracts in excess of $1 million and all subcontracts in excess of $500,000 must include provisions (1) requiring that prime contractors and subcontractors consult with SBA through the procuring agencies when requested to do so by SBA and (2) enabling SBA to obtain subcontracting information through the procuring agencies. It is specifically provided that the program will be administered by the procuring agencies, and will not dictate to the contractor the extent to which he should make subcontracts or the persons to whom subcontracts should be let. Regulations implementing the program will be issued by the procuring agencies, with the concurrence of SBA. If concurrence is not obtained, the matter in dispute will be referred to the President for final determination.

Other provisions of the new act cover publication of proposed procurement actions; SBA grants for studies, research, and counseling; reports filed by SBA and the Attorney General under the Small Business Act and the Defense Production Act of 1950; and authority for SBA to make prepayments of rentals on safety deposit boxes.

H.R. 8762 passed the House September 6, 1961. It passed the Senate with an amendment in the nature of a substitute on September 7. The Senate agreed to the conference report on September 14 and the House agreed on September 15. On September 26, 1961, the President signed it into law.

SMALL BUSINESS INVESTMENT ACT AMENDMENTS OF 1961

Public Law 87–341—House Reports 1040 and 1179

S. 902 (H.R. 8870): The Small Business Investment Act of 1958 established two pro-

grams to increase the supply of long-term loans and equity capital for small business concerns. First, it provided certain incentives for private investors to form small business investment companies (SBIC's), which are licensed and regulated by the Small Business Administration, to make equity investments in, and long-term loans to, small business concerns. Second, it authorized SBA to make direct loans to State and local development companies for the benefit of small business concerns.

The 1961 act made several changes in the first program. First, it authorized SBA to invest up to $400,000, on a 50–50 matching basis, to provide initial capital for SBIC's, or to increase the capitalization of operating SBIC's. Under previous law, SBA was limited to $150,000, solely for initial capital. As another inducement to attract increased capital into this program, the 1961 act raised the limit on investments in SBIC's by commercial banks (insofar as Federal law is concerned) from 1 percent of capital and surplus to 2 percent. It also fixed a limit of $4 million on the amount of operating loans SBA may make to an SBIC; the provision of the 1958 act limiting such loans to 50 percent of the SBIC's paid-in capital and surplus was retained, so that whichever of the two limits is lower applies. A new provision was added, limiting investments by an SBIC in any one small business concern to $500,000, except as larger investments may be approved by SBA. Again, this limit is in addition to the limitation of 20 percent of the SBIC's capital and surplus, fixed by the 1958 act, so that investments over the lower of the two limits may be made only with SBA approval.

The 1961 amendments also strengthened the procedures for enforcing compliance with the Small Business Investment Act, by authorizing SBA to suspend SBIC licenses and to issue cease-and-desist orders through administrative proceedings, and by authorizing judicial proceedings to take control of the assets of SBIC's where necessary.

The 1961 act liberalized the second program established by the 1958 act, by raising the limit on section 502 loans by SBA to State and local development companies from $250,000 for each identifiable small business concern assisted to $350,000, and by raising the maximum maturity on such loans from 10 to 25 years.

Finally, the amount of loans SBA may have outstanding under the Small Business Investment Act of 1958 (both programs) was increased by $75 million, to $325 million.

S. 902 passed the Senate on September 1, 1961. On September 6 it passed the House with an amendment substituting the provisions of H.R. 8870, which had been reported to the House on August 25. The conference report was agreed to by the Senate on September 14 and by the House on September 15. The President signed the bill into law on October 3, 1961.

John E. Fogarty, of Rhode Island, Reviews Economic Change Since 1st Session of 87th Congress Began

EXTENSION OF REMARKS

OF

HON. JOHN E. FOGARTY

OF RHODE ISLAND

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 27, 1961

Mr. FOGARTY. Mr. Speaker, as the Congress draws to a close, I think it is important that we review very briefly the dramatic change of the economic climate which has occurred since we first began in January.

The House will remember the low level of economic activity and the high levels of unemployment which prevailed at that time, especially after 8 years of increasingly high joblessness as each business cycle came to an end. Today the gross national product is on the rise to new record levels, total employment is at a record level for any August in our history, and the index of industrial production is at an all time high. We have, and we are witnessing, a recovery which is taking place much more rapidly than expected. Now, problems do remain. We still do have a million persons unemployed for as long as 6 months or more, especially under the impact of structural changes such as automation. Still needed are important programs such as the training and retraining of our unemployed workers. But we must review the background of accomplishment of the past 9 months both in terms of legislation passed by this Congress to maintain and increase the level of economic activity and strike at the problem of joblessness, as well as the many administrative actions along these lines. If we review them, I think the path will become clear—a pattern of legislation and action which has enabled us to make such progress during the past 9 months, and which gives us a major vantage point from which to continue our efforts in the immediate months and years ahead. These actions have been and are important to us, not only in terms of our own aspirations and our domestic economy, but they are also surpassingly important for our position in relation to the rest of the world.

In terms of legislation by this Congress such as the Area Redevelopment Act, such as the aid to dependent children of unemployed fathers, such as the temporary extension of unemployment insurance benefits for the long-term unemployed, we see specific and concrete actions to help the jobless on the one hand and to spur economic recovery on the other. In such administrative actions as improving our employment service, reaching a record this past month in nonagricultural placements, in the substantial number of older workers placed, in the forward-looking program which has made important gains in equal opportunities for minority groups, as well as many others, again, are concrete examples of the actions I have described.

In the beginning of 1961, when the new Congress and President Kennedy took office, the United States was in the midst of a serious recession, marked by critically high levels and rates of unemployment.

The number of jobless workers stood at 5,400,000 in January 1961, equaling the postwar record for unemployment set in June 1958, and about 2½ times the jobless total in January 1953 when the Eisenhower administration first took office. Such diverse economic indicators as the gross national product, the Federal Reserve Board's Index of Industrial Production, manufacturers' new orders, employment on nonfarm payrolls, the factory workweek, weekly earnings—all were down considerably from previous marks.

I think it is important for all of us to recognize the fact that we have come a long way since then. Unemployment is down by about a million persons; employment on nonfarm payrolls is up by nearly a million on a seasonally adjusted basis. Moreover, our gross national product is up by about 5 percent, the index of industrial production by about 10 percent, manufacturers' new orders also by 10 percent—all on a seasonally adjusted basis. The factory workweek—a critical economic indicator—is up by a full hour on a seasonal basis and weekly earnings have moved up to about $94 a week—about $4 over the January level.

I would like to make it clear that despite the vigorous economic recovery we are experiencing, many problems still remain. Our rate of unemployment is still very high; long-term joblessness is still a major problem in this country. The impact of automation and technological change—in the face of a record crop of 26 million new workers expected to come upon the labor market during this decade—poses major challenges we still have to face and for which we must still devise realistic and meaningful solutions.

But I think it would be very instructive if we reviewed briefly the actions by the Congress and by this administration which have brought us to the point of economic recovery today.

Faced with a serious business recession when it took office, the Kennedy administration immediately took action to alleviate hardship and to stimulate recovery in the economy. Among the steps taken were release of surplus food to feed the needy unemployed, arrangements to provide assistance to the children of unemployed men, and early payment of Veterans' Administration insurance refunds.

One of the first legislative actions was a bill designed to pay, on a self-supporting basis, unemployment insurance to persons who had exhausted benefits under State and Federal programs. The need for this legislation was indicated because of the substantial increase in the level of unemployment and the upward trend in the number of persons exhausting their rights to unemployment insurance benefits. The average number of persons receiving unemployment insurance in a week reached almost 3.4 million in February 1961, compared to less than 2.2 million in February 1960, an increase of 55 percent. For the same 2 months, the number of persons who had exhausted their rights to unemployment benefits was 204,600—February 1961—compared to 132,900—February 1960—an increase of 54 percent. In response to the increased number of exhaustees and the high level of unemployment, Congress passed the Temporary Extended Unemployment Compensation—TEC—Act of 1960, which was signed by the President on March 24, 1961.

The Temporary Extended Unemployment Compensation Act of 1961, which became effective on April 8 of this year, provided that participating States could pay extended benefits to individuals who had exhausted their rights to regular

benefits after June 30, 1960. TEC benefits could not exceed 50 percent of the regular benefit entitlement or 13 times the weekly benefit amount, whichever was lesser. In addition, the act provided that participating States would be reimbursed during the life of the program for any benefits paid to an individual in excess of 26 times his weekly benefit amount. No TEC or reimbursement payments would be made for any week beginning after June 30, 1962. It is significant that all 50 States, the District of Columbia, Puerto Rico, and the Virgin Islands elected to participate in the TEC program.

From the beginning of the TEC program in April 1961 through August 31, 1961, some 1.8 million persons had filed claims under the TEC program. Of this number, about 1.6 million received TEC benefits amounting to more than $372 million during this period. A total of 11.9 million weeks of unemployment were compensated at an average rate of approximately $31.40 a week. An additional $19.2 million was sent to States as reimbursement payments through August 31, 1961.

This administration has also sent a bill to Congress proposing certain improvements in the unemployment insurance system. The bill would provide up to 13 additional weeks of unemployment benefits to workers with long-duration unemployment. It would provide such additional benefits at all times to workers who have a long and substantial record of employment, and during recessions to all workers who exhaust their regular unemployment benefits. Thus, both those who are suffering from long-duration unemployment due to recessions and unemployment due to technological displacement would have some additional income maintenance while they were finding other work. Such workers would be required to take a training course if it is determined that this will be necessary in order to secure reemployment. In addition, States would be required to continue their regular unemployment benefits to workers attending approved training courses, as a condition for receiving such benefits.

The bill would also strengthen State financing of unemployment insurance by broadening the taxable wage base from the first $3,000 of each worker's annual earnings to $4,800—the base used for the Federal old-age, survivors and disability program. It would also provide for equalization grants by the Federal Government to defray part of the cost of benefits in States with high rates of unemployment, and therefore high benefit costs.

The bill would also provide strong inducements for the States to bring their weekly benefits up to levels that were advocated by the former administration; namely, to increase benefit maximums to a level under which the great majority of workers would be entitled to receive at least 50 percent of their former weekly wages when employed.

Extension of the protection of the system to an additional 3 million workers is also proposed, of which the principal groups would be employees of small employers and nonprofit organizations.

These proposals would go far toward providing more adequate income maintenance for the unemployed, as well as to encourage retraining of workers who are technologically unemployed.

To further help persons with low incomes, the administration introduced and succeeded in passing the Fair Labor Standards Amendments of 1961. They provided for increasing the minimum pay from $1 to $1.15 per hour on September 5, 1961. Nearly 2 million workers will receive a total of more than $300 million per year. This minimum will be increased to $1.25 2 years from now. In addition, about 3.6 million workers will be brought under the act for the first time and will receive a minimum of $1 per hour. Of these, about 550,000 workers were being paid less than $1 an hour. Their incomes will increase by about $200 million on an annual basis.

One of the outstanding achievements of the administration is the Area Redevelopment Act. This legislation provides for training of the unemployed and loans to local communities to enable them to attract business enterprises. For the first time in our history, the Federal Government has assumed a responsibility for helping people in areas which have been hurt by shifts in consumer tastes, drastic technological developments, and sudden loss of markets.

This act was signed by President Kennedy on May 1, 1961, after several unsuccessful efforts in the previous administration to secure an acceptable measure. It is directed at stimulating economic growth in those areas victimized by chronic and persistent unemployment or underemployment. The act is directed at one major form of structural unemployment—the problem of people who are out of work because they have the wrong skills, in the wrong place, at the wrong time.

The Congress provided funds and some basic new approaches for creating job opportunities in this pioneering legislation. These included first, $200 million for loans to new and expanding businesses, primarily for land and buildings, with machinery and equipment loans permitted in exceptional circumstances; second, $100 million for public facility loans, for such projects as water, sewer, and other facilities directly related to new business enterprises; third, $75 million for public facility grants; fourth, $4.5 million annually for technical studies to assist local areas; and, fifth, $14.5 million annually for retraining costs and subsistence payments for unemployed workers.

These funds will benefit urban areas of substantial and persistent unemployment as well as rural areas of low income, high unemployment or substantial underemployment. Many of the Nation's Indian reservations, which likewise have been plagued either by low family income or chronic joblessness will qualify for assistance. Most importantly, the economy of all America will benefit, for, as President Kennedy declared at the time he received the task force report on area redevelopment:

> The entire Nation suffers when there is prolonged hardship in any locality.

One week after the act was signed, Secretary of Commerce Hodges established the Area Redevelopment Administration. Thus far the ARA has designated 129 urban areas and 485 counties, 47 Indian areas and 3 territories eligible for assistance upon the submittal of appropriate projects for their economic recovery. Economic development programs have already been received from 85 areas and of these 37 have been provisionally approved. Both Congressmen and local communities have demonstrated an intense interest in the program.

The Area Redevelopment Administration hopes to channel the resources of many existing Federal programs into redevelopment areas. The legislation contemplates that existing Federal facilities will be used to the maximum extent. To this end, certain operating functions have been delegated to other agencies to be performed under the supervision and coordination of the Area Redevelopment Administration. These agencies include the Departments of Labor, Agriculture, Health, Education, and Welfare, Interior, the Housing and Home Finance Agency, and the Small Business Administration.

One of the most significant aspects of the Area Redevelopment Act is to provide through training or retraining job opportunities in those areas which have experienced substantial unemployment over a considerable period of time. To achieve this goal many thousands of workers must either have or acquire the skills which their new jobs will demand.

The Secretary of Labor makes manpower surveys of redevelopment areas to determine training needs, to test and counsel individual workers who are unemployed or underemployed to determine their occupational potentialities, and to select and refer individuals for training through vocational edueation, on-the-job, apprentice, or other appropriate methods of training. Subsistence payments to eligible workers receiving training are also provided, the duration of such payments being limited to not more than 16 weeks. The program brings together the key education and labor agencies of the Federal Government along with State and local educational and manpower and employment personnel in a concerted program to assist thousands of unemployed and underemployed to meet their training needs.

State employment security agencies which are affiliated with the Department of Labor are meeting with local redevelopment area committees in those areas where overall economic development plans have been approved. They are examining through their local offices the occupational training and retraining needs of the area. These efforts are being assisted by Department of Labor apprentice and training field representatives who have likewise been consulting with local community groups in their review of their training needs. Training programs, tailored to meet the needs of redevelopment areas, are being formulated so that they may be instituted as quickly as possible in various communities throughout the country.

Several of the most important steps in combating unemployment were made through administrative action rather than legislation. Immediately on assuming office the administration set out to strengthen the national network of employment offices. As a result, employment office activity has been stepped up considerably. Attention is being more sharply focused on such problems as older workers, automation, and technological change, youth, and migratory workers. These advances were made possible by a supplemental appropriation which permitted the addition of 2,500 more positions in the local employment offices. It also provided for 143 more positions in the national office so that greater national leadership and direction could be given to improving employment office services. At the same time the budget request for fiscal 1962 was amended to provide 1,600 additional positions for allocation to State and local offices.

Concurrently with these actions, the Labor Department informed all State agencies of the basic goals for the revitalized public employment service and changes in program emphasis. States were also instructed to initiate staff recruitment efforts, even in advance of budget allocation, and to develop training programs for newly hired staff. Since April, when staff expansion began, about 3,000 positions have been added in the employment service.

Each State was instructed to develop an action program, specifying the particular labor market activities requiring improvement, for each major labor market center; the jobseeker and employer services to be given priority; and the personnel and other requirements needed to achieve the program objectives. Procedures were also developed for program and operations evaluation and for accountability of fund expenditures.

Plans were developed in the early spring to initiate an immediate action program involving a nationwide "hire now" campaign designed to encourage expanded employer use of local employment offices and step up job placement efforts. The momentum of this campaign is continuing—publicity has been uniformly favorable with complete cooperation from all media—press, radio, and television. Expanded employer visits and phone contacts are resulting in many employers becoming acquainted with employment office services for the first time.

Job placements are now at an annual rate of 6 million and local employment office employer service representatives have increased their visits and phone contacts by 70 percent. The "Hire Now" campaign has contributed significantly to improving the public image of the employment service and in the months and years ahead will result in increased job placements and listing of job openings in local offices.

A new unit within the Employment Service has been created to deal specifically with the impact of automation and technological change in employment and unemployment. This unit is expected to provide national leadership to the State employment services. It will supervise demonstration projects in the field to find out how much the Employment Service can accomplish through careful advance planning with the employer, the union, and community training facilities, toward minimizing employment dislocation in various situations, involving the introduction of automation and other technological change.

Another example of solid achievement under an improved employment service system are the stepped-up placement services for older workers. Middle-aged and older workers as a group do not experience especially high rates of unemployment since they are protected to a greater degree than younger workers by seniority. However, they are not protected by severe cutbacks and layoffs due to technological change, company mergers, and plant movements from one part of the country to another. Once unemployed, they usually remain out of work longer and experience greater difficulty in finding another job. While some companies have instituted private training programs to retrain their own workers for new jobs in their establishments, very often these new jobs do not exist in sufficient numbers to absorb a substantial number of the employees affected and younger persons are likely to get the preference. Hence, many in the middle and later years are laid off and their prospects for reemployment are often dim unless they can get trained or retrained. The responsibility for training workers who no longer have an attachment to an employer is necessarily a public one.

The Area Redevelopment Act will be helpful to middle-aged and older workers because they are affected to a greater degree than younger workers who are better able to move readily to areas where job opportunities exist. Frequently the relatively few opportunities that remain in their area of residence are closed to older workers because of the mistaken notion on the part of employers that they are less physically fit, less productive, and less trainable, and these opinions are reflected in age limits in hiring—often set at age 45, 40, or even lower.

The middle-aged and older worker, whether he be unemployed as a result of technological change, plant movements or the business cycle, often needs assistance in finding a job. The public employment service has established specialized employment counseling and job placement services for older workers to meet this need. In the past, however, the limited financing of the public employment service in the face of the increased population, workforce and demand for service, has tended to reduce the effectiveness of services to special groups, such as the older worker.

The public employment service recently has shown progress and success in the placement of middle-aged and older workers. During fiscal year 1961, 1.1. million nonagricultural job placements of workers 45 years of age and over were made by the 1,800 local offices in the system. This represents 19.9 percent of all placements made. The national job drive, inaugurated by the Secretary of Labor in May of this year, undoubtedly contributed to this record along with an increase in the placement of workers in the lower age groups.

Shortly after taking office, the Secretary of Labor established a new Office of Automation and Manpower, in addition to directing the Employment Service to pay more attention to the problems of automation. This step demonstrated a recognition of the crucial importance of technological change in the broad problems of production, foreign competition, and employment. In the months ahead this office will develop recommendations on how best to reestablish full employment in the face of rapid introduction of technological improvements. The order establishing this office stated:

> Automation and other technological developments have increased productivity and displaced workers. They have also brought benefits to the economy.
>
> The skills required of our manpower change as our technology changes. Automation and other technological developments require greater skills from the labor force and displace those with lesser skills. These developments will accelerate in the years ahead. They will pose special problems for workers who suffer unemployment and must acquire new skills to meet changing manpower needs.

Quoting from President Kennedy, the order stated:

> Another fundamental ingredient of a program to accelerate long-run economic growth is vigorous improvement in the quality of the Nation's human resources. Modern machines and advanced technology are not enough unless they are used by a labor force that is educated, skilled, and in good health.

The Office of Automation and Manpower was directed by the Secretary of Labor to—

> Examine employment and unemployment by industry, occupation and area; current and anticipated technological changes; and all phases of technological unemployment.
>
> Develop programs for expanding and improving testing, counseling, training and placement of workers displaced by automation and other technological developments.
>
> Serve as a clearinghouse for materials dealing with various aspects of automation and technological development; conduct conferences with employers and workers affected by automation and other technological developments; and prepare appropriate informational materials for distribution to interested persons and organizations.

In addition to the actions I have just described, the administration introduced bills which were directed at two of the most critical unemployment problems. Unfortunately, neither of these bills reached the President.

The first of these two bills, the Manpower Development and Training Act of 1961, was designed to attack the problem of obsolete skills. Under it, the Federal Government would assist unemployed workers unable to find new jobs because of lack of skill by helping to pay for their retraining. This bill strikes at the root of our unemployment problem—the rapid obsolescence of skills in an economy where technological change necessarily occurs with great speed.

The second bill, the Youth Employment Opportunities Act of 1961, was de-

signed to help our youth find useful employment in a period when the number of young jobseekers is increasing very rapidly and the kinds of unskilled jobs they ordinarily get are shrinking in number. The bill provides three different approaches to this general problem:

First. On-the-job training and related training programs, including classroom instruction.

Second. Public service and public works employment and training program.

Third. A camp-oriented Youth Conservation Corps.

One other important factor in the amelioration of unemployment and low income should be mentioned in this brief summary of the administration's recovery program. This has to do with discrimination in hiring because of race, creed, color, or national origin.

To promote employment opportunities for minority groups within the Federal Government and firms that do business with the Government, the President established the President's Committee on Equal Employment Opportunity. This step underscores the administration's recognition that every American is entitled to equality of opportunity and that, in the fierce struggle between our way of life and that of the Communist imperialists, we are going to have to fully develop our human resources, making the best use of the brains and skills of every group in our population.

In the 6 months since the Committee started its work—April 7, 1961—significant steps have been taken to effectuate the basic goal of equal employment opportunity. Even the short-range effects have become evident, but it is the long-range effects which will tell the full story of the Committee's true impact on achieving job equality.

One of the first actions taken by the new committee was the launching of a survey of minority group employment in all executive agencies and departments. While the results of this survey still are not complete, enough information has been gathered to show conclusively that something definitely needed to be done if Government employees were all to be treated alike, without regard to race, creed, color or national origin. For example, while there are sizable numbers of Negroes employed, there also is evidence that their opportunity for progression above the lower grade levels has been completely out of balance.

The President, through the Committee and with the full cooperation of the heads of executive agencies and departments, set out to do something about this problem. Every executive agency and department has put into effect a strong policy of equal employment opportunity and has set up machinery to implement that policy. This policy is being carried down to the lowest supervisory level with the information that the President, the President's Committee, and the agency head all mean business.

At the same time, the agencies and the committee have been receiving complaints from Government employees or applicants for employment who feel that they have been discriminated against because of race, creed, color, or national origin. In the first 6 months of its operation, the Committee received over 500 complaints, more than were received in any one of the 5 years in which the Government Employment Policy Committee of the prior administration operated. There could be no better evidence of the faith and trust of Government employees in the sincerity of this administration's approach to their problem. The fact that these complaints are being investigated and the situation remedied where justified proves that their faith and trust are justified.

But the administration did not stop just with insuring fair treatment for minority groups in Government at present it went to the people to tell of this new opportunity for Government service. In this day and age when the Government has great need for workers with skills and devotion to public service, thousands of Americans possessing those skills were failing to offer them to the Government because of built-in discriminatory practices which discouraged them from seeking Government service. The Civil Service Commission and various agencies and departments sought out these potential public servants and interested them in Government service.

The same situation held true in Government contract employment: thousands of workers whose skills are needed in industry were being denied access to the employment where they could use those skills. Through the broad program of the President's Committee on Equal Employment Opportunity, industrial employment doors are being opened for the first time to thousands of Americans. Here, as in Government, the emphasis is on the positive program of insuring equal employment opportunity. One of the most important parts of the program is the development of plans for progress by major industrial firms and the Committee. To date, 9 of the largest defense contractors with more than 800,000 employees have voluntarily signed statements with the Committee pledging equal employment opportunity for all, regardless of race, creed, color, or national origin. Other firms now are developing similar plans for progress, and within a few months it is anticipated that several million American workers will be covered by these guarantees against discrimination. As a result, industry is finding a new wealth of skilled workers at all levels of employment to help provide the production we need to maintain and increase the pace of our industrial output.

These are some of the steps taken by this administration to obtain justice and fair treatment for all Americans and to put to use the skills of the great number of citizens who are underemployed and underutilized because of race, creed, color, or national origin.

The administration has recognized the importance of women in our labor force by designating a new Assistant Secretary of Labor with responsibility for that increasingly significant group of workers. A woman was appointed by the President to serve as the new Assistant Secretary. In addition, a bill was introduced calling for equal pay for equal work, prohibiting discrimination on the basis of sex in the payment of wages by employers having employees engaged in interstate commerce or the production of goods for interstate commerce.

Here is a record of achievement of which we may be proud. The program by the administration and the Congress has met the acid test, as I have indicated at the beginning of these remarks. Unemployment is down by a million persons and industrial business and commercial payrolls are up by a million persons, but we still have a long way to go, and I am hopeful that the next session will see the enactment of such programs as I have indicated—the training and retraining of unemployed workers under the impact of automation and technological change—a permanent extension of unemployment insurance benefits—and a training program for youth, among others.

Business Has a Job To Do

EXTENSION OF REMARKS
OF
HON. GLENN CUNNINGHAM
OF NEBRASKA
IN THE HOUSE OF REPRESENTATIVES
Wednesday, September 27, 1961

Mr. CUNNINGHAM. Mr. Speaker, a speech by Mr. W. B. Murphy, president of the Campbell Soup Co., before the Greater Creighton University Committee Convocation, impressed me with its clear message on the need for communication between men.

Mr. Murphy spoke ably on the role of business in America, its responsibilities to itself and the public, and the need for an appreciation of the private enterprise system in this country.

There are many in this Nation who are concerned over excessive Government regulation and interference with private business. Mr. Murphy in his speech points out that better communication on the part of business in this country can do much to alleviate the pressures for excessive Government regulation. By operating in the public interest and by telling the story of private enterprise, American business can preserve the needed climate for growth in future years.

Under leave to extend my remarks, I now include Mr. Murphy's speech:

PRESERVING PRIVATE ENTERPRISE

(Remarks made by W. B. Murphy, president, Campbell Soup Co., at Creighton University, Omaha, Nebr., Oct. 7, 1961)

A visit to Omaha is always a pleasure. I have many friends here and, of course, we have a deep interest in the community as one of its corporate citizens.

We meet here at this convocation sponsored by a fine university and its school of business. With a background in business, it would seem appropriate for me to talk briefly about several matters relating to our business life which are of concern to many of us.

Omaha is the center of a great agricultural area. I think the people and the businesses of this community are typical of

the great Midwest in being particularly sensitive to the pulse of the public. In this part of our country there might well be an above-average appreciation of the fundamental character of the American way of life, and of its inherent values. There is understanding and ready acceptance of the fact that our form of government and the free enterprise system are the backbone of our Nation's economic existence. It is certainly true that our form of government and our form of business economy go hand-in-hand. They have been responsible for the amazing and constant economic progress of our country and they are the envy of intelligent people over the world who have had the opportunity to observe them.

The theme of this convocation is communications. All of us recognize the tremendous power and importance of this force in our lives. Here is one of the most commonly mentioned, widely acknowledged subjects that could be imagined. It is as old as the prehistoric cave drawing, the smoke signal, the printed word.

And yet—it is as new as TV and the U.N. It is our biggest problem in international relations, domestic relations and labor relations. To a businessman, getting across ideas, beliefs and understandings to others is a constant day-to-day problem.

By sealing off the lines of communication from the rest of the world for 29 years, from 1917 to 1946, Soviet Russia was able to turn its people into a trained, non-resisting mass with only the "Commie" idea. By maintaining communications with the Eastern Europe satellites, the free world has been able to keep the minds and hearts of about 79 million captive people from surrendering to the Soviet masters. Freedom of communications is a distinctive characteristic of the free enterprise system and is the first thing killed under totalitarianism. In the free world, where truth is vital to our way of life, only communications based on truth can be effective over the long term.

Business especially is dependent on good communications, both internal and external. However, the businessman is sometimes so preoccupied with day-to-day operations that he overlooks some of the broader aspects of the communications job business has to do. We talk about our own companies or our own industries and sometimes forget that one of our prime obligations is to make sure that opinion leaders and the general public have a well-informed grasp and understanding of the business system as a whole. We have a duty to promote and strengthen our economic society, and communications are obviously a most vital means to that end. We have the job of protecting the fundamental character of the economic system not only from those who believe it should be radically altered, but from those who abuse its privileges.

Each of us was taught in our early school days that the democratic form of government was designed to serve the American people—and I think each of us has grown up with the realization that the businesses in our vast private enterprise system have been built up on the same "service" theme. The democratic form of government and the private enterprise system are in reality servants of the people. This is in sharp contrast to the Communist and other totalitarian countries where the lives of each person and the behavior of every business are controlled by a small ruling group who are not elected by or subject to recall by the public. With us, our Government and our business are intended to serve the public. With the Communists, the people and all business serve the government and the government has full control. You might say: "Why make such an obvious distinction? Everybody knows that." Well, sometimes I am not so sure.

We ought to ask ourselves whether the American system is today providing the greatest possible leeway for the private initiative of Americans in all walks of life, or whether we are becoming used to relying on the Government agency, the Government administrator, to tell us what we can and cannot do. It is contrary to what most of us believe and to our traditions to relax into the habit of turning our problems over to government.

No American today would deny that there are things in our rapidly expanding society that must be done by government. But these things, in the main, ought not be in the field of business operations if we are to preserve our economic society as we now know it. It is the continuous expansion of Government into activities that can better be done through private initiative that concern those who believe in the principles of our free enterprise system.

Let me emphasize at this point that no business should ever object to investigation and disclosure. Malpractices have no place in our system—they only weaken it—and should be constantly exposed. Moreover, some ground rules are necessary in our economic system, ground rules that apply not only to business, but to labor organizations and all private institutions. These ground rules obviously should be within the framework of our form of society, in the interest of the public, and established by the Government with the approval of public opinion.

Such ground rules should, of course, be clearly and precisely stated so that they may serve as a guide to the businessman. Moreover, they must be rules based on the American tradition of jurisprudence and fair play—written with the presumption that business practices are ethical until proved otherwise and not with the presumption that business is guilty until proved innocent.

It has been pointed out by others that the sophisticated socialists in the world realize that a government does not have to nationalize everything in order to move us away from democracy. The critical factor is regulation rather than ownership and certainly no one will, I think, quarrel with the statement that we are moving toward more, and not less, Government regulation.

This trend is not without precedent. C. Northcote Parkinson, in his book "The Evolution of Political Thought," shows that for as long as recorded history, there has been a seemingly inevitable cycle from democracy to socialism to totalitarianism and back to democracy, and that this cycle has happened in Asia, in Africa, and in Europe, as long ago as 400 B.C. and as recently as in this century.

Now, in retrospect, I am sure that businessmen and labor leaders might have prevented a good part of the trend toward greater Government regulation. Enlightened business and labor would have avoided the conditions that provide the excuse for much of the regulatory and social legislation that has been voted into existence.

More often than not, business and labor have brought down Government regulation on their own heads by the misconduct of a few of their members. Whenever there is publicized disclosure of discrimination, of unfair treatment, of misrepresentation, of false values, of collusion, and of sharp practice, there is a general clamor for legislation—no matter how isolated the instance, or untypical of business practice as a whole. Much of the regulatory legislation can be traced to such incidents of failure to follow the standards of economic conduct which we all know to be sound. And once a control is established, it is seldom withdrawn.

Of course it is not practical—and probably not possible—to retrace our steps—to say that management and labor now know better, that now we don't need the regulation we have because the economic world is enlightened.

This drift we are in would seem to indicate that there are some inherent faults in our economic system that make it necessary to have more and more Government controls to make our economy grow—that there are many abuses which Government controls must correct.

I question that there are such inherent faults.

The tremendous success and outstanding economic growth in our country, sparked almost entirely by the private enterprise system, is overpowering evidence of the fundamental soundness of that system. The system itself is not at fault and we must make sure that abuses by a few people do not obscure or detract from its strength and its virtues.

What I have said is simply this: We are moving in the direction of more and more Government regulation over the business system. The best way for business to help stop this flow is to not provide the excuses or the reasons that bring more control. This is not asking that business penalize itself, for the beauty and strength of the private enterprise system is that it rewards best over the long term when operated not only efficiently but in the best interests of the public.

Those of us in business have not merely a minimum obligation to act within the law, but the further obligation to exert leadership disciplined to high ethical standards. When there is failure in this responsibility, when standards degenerate, the drift toward greater Government regulation is accelerated. As you can see, it is my belief that the cure for this drift lies as much with business and labor as with our legislators and Government administrators.

The whole question of business behavior necessarily involves the overall responsibilities of business management. Today when great numbers of companies, large and small, accept the obligation to be constructive and useful citizens in the communities they serve—supporting countless charities, in many cases taking the lead in community development, and assuming an obligation to provide aid to educational institutions—there are still those who say that corporations have one responsibility and one only—the obligation to make a profit for their stockholders. That point of view is perhaps expressed nowhere more succinctly than in the statement of Eugene V. Rostow, when dean of the Yale Law School, in "The Corporation in Modern Society":

"The law books have always said that the board of directors owes a single-minded duty of unswerving loyalty to the stockholders and only to the stockholders if, as is widely thought, the essence of corporate statesmanship is to seek less than maximum profits, postwar experience is eloquent evidence that such statesmanship leads to serious malfunctioning of the economy as a whole."

Such a point of view overlooks, I think, a few basic facts of modern life.

First, what we term "American business" or "American industry" is not isolated—it is an integral part of the whole society and it serves that society.

For in the United States, business is not simply a way of life. It is, for most of the hours, the way of life today. We live in a business-oriented existence just as in other times men lived in feudal societies, or agrarian societies, or ecclesiastical societies. Under our system, it is not control of the land or the administration of the church, but the exchange of goods and services that constitutes the material complex of life—the place where in one way or another, most people must make their economic way.

And, second, democratic institutions—our schools, the arts, our Government—those segments of our life outside the industrial and mercantile activity depend in considerable part for their strength and growth upon the proper functioning of the free enterprise system—and this includes the mass com-

munications media which constitute our modern free press. After all, the business life of our country is about 80 percent of our economic activity—Government represents only the remaining 20 percent. So business must be something more than the pursuit of short-term profit. Business has an obligation to its stockholders, but it has many other obligations. As a matter of fact, it does not fulfill its obligations to its stockholders—or its employees—or its customers and suppliers—or to the public—unless it fulfills its obligations to each.

Now, profits are important since no earnings means no dividends and this also means no payrolls, unemployment, no money plowed back for research, no progress, no investment in new plants and equipment, less money for education, and less money for national goals. Profits matter very much, not only to business, but to the whole economy and to all our social institutions. They matter to Government, too, because without profits a very large proportion of Government revenues would dry up.

But it is a long jump from saying profits are important to saying that a business can be operated most profitably and in the best interest of the stockholders by thinking only in terms of immediate gain. The society in which we live, and the great majority of business managers, do not believe in profits at any price—or that expediency is the best policy. It is true that a company cannot for long march out of step with the society in which it exists.

In every working day, problems come to each one of us that directly or indirectly reveal to all of those about us our own standards of behavior. These are often not large, earth-shaking matters, but frequently rather small, commonplace things, that still are quite important.

For instance, how much value shall we incorporate in the goods and services we bring to market? Should we minimize the value and maximize the profits? The answer here is obvious.

The old theory of caveat emptor—let the buyer beware—went into discard a long time ago. Not only do we have the responsibility to eliminate the shabby and fraudulent, but in these days enlightened business faces up to the obligation to invest in constant experimentation and research toward improving its products and services. The future of our business demands this, and only if we focus our attention on the job of giving the consumer the best value, and constantly work to improve that value, can we bring out the creative drive that makes for a successful enterprise. Further, if we do not do everything in our power in this direction, we will soon find ourselves in trouble from the competitor who does do so.

Here is another example: How shall we portray our product or service in selling or advertising? Shall we stretch the truth and overstate the case? Here, again, the right answer is a clear one. You cannot kid the public for long. Overstatements—the half-truth—misrepresentation—these will finally end up where they belong: flat on their faces.

The unfulfilled promise has the habit of being long remembered. Advertising and selling for most of the products in our country are good, but this does not mean that there is not a considerable amount of advertising that overstates the case—and of course there are some products on the market that are not good values. But one of the great things about our way of doing business is that the consumer has a free choice. Products of inferior value soon lose out and the advertisement that misstates eventually is ignored. There is no question in my mind that long-term success demands high ethical standards in advertising and selling.

And again, how shall we treat our customers and suppliers? Fair and equitable treatment of customers and suppliers pays off over the long pull and the wisdom of this principle has been proven in the experience of our company. For decades—as long as our records show—and before the Robinson-Patman Act made discrimination illegal, the company I serve adopted a firm policy against favoritism in its pricing. It offered its products at what it considered a fair price, and refused to make exceptions which would give advantage to one buyer over another, even though such exceptions offered opportunities for short-term profit. This policy has proved highly successful—not only in establishing our integrity in the marketplace, but as a factor in increasing sales. We have always believed that when special concessions are made to one customer, crippled results invariably follow. Discrimination brings retaliation and, in the end, limits distribution. Favoritism is bad business—in fact, it is bad business regardless of ethical considerations.

What is true of selling is also true of buying. The best price is not always the lowest price if it is an unfair price. Too hard a bargain can result in underpayment and underpayment leads to loss of goodwill and destruction of the initiative to develop as a valuable source.

Of course, overpayment is also bad because it leads to softness and waste. My point is that buying and selling are areas requiring the exercise of sound standards. The shareholder has a right to expect that the income of the business will be achieved wisely and not so as to handicap its long-term growth.

Or take the matter of talking with competitors about products, prices, supply sources and such things. In most cases, whether legal or illegal, this is a retreat from good business practice and tends to produce a variety of inefficiencies and to curb initiative. Independent action encourages enterprise, efficiency and vigor. The great inventors worked and thought alone.

What I am saying here can be summarized in a single sentence: good ethics is good business.

Now, if it is true that our Government and our private enterprise system are designed to serve the people, and if it is true that business performs best under sound ethical standards and most businesses so perform as I believe they do, then why can't we halt the drift to greater Government regulation?

I think there are two factors here. Both relate to the matter of good, sound communications. There is an overall underestimation of the vital importance of the private enterprise system, and a failure to protect it from eroison by businessmen, labor leaders and legislators. The men in business and labor who know and realize the problem have not found a way to discourage the minority who by their actions provide the excuse for more and more Government regulatory action.

And, I doubt if the total story of the private enterprise system and its accomplishments and its manner of conducting itself has gotten across to all of our legislators—so we tend to be rather quick to add regulatory agencies to curb the behavior of the minority. Somehow or other we are letting the few who abuse their free enterprise privileges swing the whole trend of our Government legislation.

This boils down to the single point that there needs to be a full appreciation on the part of all of us of the role of the private enterprise system in our country's economic progress and of the fact that this superb system works best when operated not only efficiently but in the best interests of the public and that when so operated, it needs a minimum of Government regulation.

Perhaps this lack of understanding is in part a failure in our educational processes or due to faulty thinking—but more likely it is due to just plain inadequate communication among businessmen, labor and Government.

Business has a job to do. We must make certain, first, that we always operate with the broad interests of the public in mind, and second, that the true nature and the vital importance of the private enterprise system are widely and fully understood.

Remarks of A. Everette MacIntyre on Taking Oath as Member of the Federal Trade Commission

EXTENSION OF REMARKS
OF
HON. WRIGHT PATMAN
OF TEXAS
IN THE HOUSE OF REPRESENTATIVES
Wednesday, September 27, 1961

Mr. PATMAN. Mr. Speaker, the Federal Trade Commission has been profoundly enhanced by the three new Commissioners appointed by President John F. Kennedy. I recently attended when Mr. A. Everette MacIntyre took the oath as a member of the Commission. Mr. MacIntyre served long and faithfully with me as general counsel and onetime staff director of the House Small Business Committee. He is a fine gentleman, loyal public servant, and one of the country's outstanding antitrust lawyers. I know he will give great service as Commissioner of the Federal Trade Commission.

I would like to include in the RECORD at this point Mr. MacIntyre's remarks made on the occasion of taking oath as member of the Federal Trade Commission:

REMARKS BY A. EVERETTE MACINTYRE ON THE OCCURRENCE OF TAKING OATH AS MEMBER OF THE FEDERAL TRADE COMMISSION, SEPTEMBER 26, 1961

First, I wish to thank you for having honored me as you have with your presence here today.

At the outset I wish to take advantage of this opportunity to pay tribute to a great American and a personable and gracious gentleman, Commissioner, Robert T. Secrest. His record as a member of this agency is secure. He will be sorely missed. I deeply appreciate his friendship and the many courtesies he has extended to me.

It would be amiss for me to fail to express my deep appreciation to Congressman WRIGHT PATMAN and my other friends for the kind consideration, counsel, and assistance they have given me. The association, inspiration, and guidance given me by Mr. PATMAN and others with whom I have been associated in my work in the legislative branch of the Government provide me with strength to undertake the task ahead. Whatever I find myself able to accomplish I am able to do better because of the inspiration, knowledge, and experience I have acquired through my association with Mr. PATMAN and my other friends in the course of my work on Capitol Hill.

To my fellow Commissioners and to members of the Commission's staff I extend warm greetings. I wish to say that I am looking forward to my reassociation with you. The Federal Trade Commission is an institution of which anyone should be proud to be a part. It has been described as having a country club atmosphere. Perhaps it has in one respect. The fraternal aspect is

strong. However, that should not mislead people into believing that the leisure aspect of a country club prevails at the Federal Trade Commission. You who are members of the Commission's staff need no further explanation of that remark.

In my opinion, membership on the Federal Trade Commission or its staff affords an opportunity for inspiring, and stimulating, public service. Under the leadership of Chairman Dixon we are making much progress, but the task ahead for all of us is tremendous.

Recently, we have noted considerable discussion regarding the program of the long-drawn-out and numerous cases required to stop the use of a destructive industrywide practice. Sometimes this problem is referred to as the regulatory lag. We are mindful that this problem of delay in stopping the use of unfair industrywide practices is a serious one here at the Federal Trade Commission. Various proposals have been advanced for solutions. It is my view that utilization of some of these proposals will help very much in the improvement of our quasi-judicial process. However, I am convinced that none of them will prove to be a solution of the problem of delay in stopping industrywide unfair practices.

Due process in quasi-judicial proceedings is required no less than in judicial proceedings. Consequently, there is considerable question whether it is possible to properly and effectively utilize quasi-judicial proceedings to fully implement the legislative action which made unfair methods of competition and unfair and deceptive acts and practices unlawful.

You are assured that it will continue to be my position that rights to due process in quasi-judicial proceedings should not be abridged in any effort to meet this problem of the regulatory lag. Other means should be sought.

It is my hope that consideration will be given to suggestions for quasi-legislative processes to implement the legislative action which has made unfair methods of competition and unfair and deceptive acts and practices unlawful. If the Federal Trade Commission and the courts should conclude that Congress has not provided for this, then the problem should be placed before Congress without delay. I am convinced that quasi-judicial proceedings alone will not permit us to discharge our responsibilities. The use of unfair acts and practices is on the increase. The Federal Trade Commission at the beginning of the present year had fallen several years behind in its effort to meet this challenge by using exclusively the case by case method.

Recently, our fellow Commissioner Elman, publicly noted that the Commission has responsibilities which are nonjudicial. Perhaps he had in mind an activity and responsibility such as I am speaking about.

In any event, it is my thought that the New Frontier at the Federal Trade Commission should not be allowed to become a maginot line to be outflanked. Likewise, action should be taken to preclude reference to it as an endless frontier where cases drag on and on and the regulatory lag remains as the outstanding problem.

The Federal Trade Commission's performance of a quasi-legislative function through the use of the rulemaking process would be well within the intent of Wilson, Brandeis, and others who envisioned this Commission as an arm of the Congress. Those who conceived the idea for a Federal Trade Commission, and Congress in the enactment of the legislation which established this Commission, thought of it as an arm of the Congress and intended that it implement the broad framework of section 5 of the Federal Trade Commission Act. It is thought that the best way of doing that would be through the use of a quasi-legislative process of rulemaking which would condemn harmful trade practices industry by industry rather than case by case.

It is suspected that some will argue that this idea is, in fact, a proposal to make the Federal Trade Commission a wholesale house. Perhaps, inherent in this idea is an aspect of rendering public service wholesale instead of at retail, and in dribbles to businessmen and the public after standing in line a long time for relief.

Let me add that nothing I have said should be taken to indicate that I think the work of this Commission in handling legal controversies through the case by case method should be replaced. What I am suggesting is consideration of something to supplement the present case work of the Commission.

Of course, the performance of quasi-legislative functions by the Federal Trade Commission would require broad economic studies of practices and conditions used in industry and commerce. The Federal Trade Commission has unique legal tools for making such studies. It is on its way to the establishment of a professional economic staff capable of using those tools. These circumstances lead me to observe that there is as much immediate need for separating the tools from the toys as there is in separating the men from the boys so as to permit the doing of the job indicated.

Fish Flour

EXTENSION OF REMARKS
OF
HON. FRANK CARLSON
OF KANSAS
IN THE SENATE OF THE UNITED STATES
Wednesday, September 27, 1961

Mr. CARLSON. Mr. President, it has become apparent that a concerted effort is being made to obtain legal sanction for the sale to the American people of an adulterated food product made from filthy and putrid substances. This effort if successful would mark the first backward step in more than 50 years of progress in pure food legislation and enforcement in this country. The integrity of the Nation's food supply is under attack.

This attack is being made on two fronts. The first is an attempt to obtain the approval of the product by the Food and Drug Administration. The second is an attempt to force through Congress an amendment to the Federal Food, Drug and Cosmetic Act to exempt this product from the requirements of the act.

The product for which this special dispensation is being sought is called by its proponents "fish protein concentrate, whole fish flour." It is made by grinding whole fish of any variety, including scavenger fish, taken from inland waterways, swamps, and any and all other sources, and includes everything in and on the fish—head, eyes, scales, fins, intestines, contents of intestines, worms and parasites. From the resulting substance the fat would be removed by a chemical process and the remainder dried. It is this remainder which the proponents seek to have cleared for sale under the label "whole fish flour."

The proponents of the product have asked the Food and Drug Administration to establish a definition and standard of identity for the product. If this is done, the product could be sold to the American people under the proposed name with the blessing of the Food and Drug Administration, and the manufacturer could avoid a statement of the contents on the label.

Under the law a definition and standard of identity for a food product may be established only when the Secretary finds that "such action will promote honesty and fair dealing in the interest of consumers." This procedure is meaningful only when taken with respect to a commonly known food which consumers know and generally recognize by a customary name, and the purpose is to establish certain minimum requirements as to contents and nutritional values so that consumers calling for the food by that name will be assured that the product meets these minimum specifications. The procedure is not in the interest of consumers when the product is an unknown or little-known article, for in such case consumers do not know the article, are not aware of its contents, and do not generally call for it by any name. To establish a definition and standard of identity for such an unknown article of food would lead to concealment from the consumer of the contents of the article. In the period of almost a quarter century since this procedure was authorized by the act definitions and standards of identity have been established for less than 20 different classes of foods, all of which were standard items in the American diet.

The Food and Drug Administration has informally expressed the opinion that whole fish flour should be regarded as adulterated because it would be made without the removal of those portions of the fish not normally regarded as acceptable for human food in the United States. The act brands as adulterated any article "if it consists in whole or in part of any filthy, putrid or decomposed substance, or if it is otherwise unfit for food."

FDA's informal opinion is based on long-established precedent. For more than 50 years FDA has consistently held that a food product which contains insects, worms, rodents or parts thereof or the excreta thereof is filthy and putrid and therefore adulterated within the meaning of the act, regardless of the fact that the product may be so ground or otherwise processed that the presence of such filthy and putrid material is not detectable except in the laboratory, and regardless also of the fact that it may be so processed and treated that it is not injurious to health.

The courts have sustained this position in an unbroken line of decisions. As examples, the courts have condemned as adulterated such articles as fish containing parasitic worms; butter made from cream containing flies, rodent hair, feather parts, etc.; bread made from flour or with sugar stored under unsanitary conditions and containing weevils, cockroaches, insect fragments, or rodent or insect excreta; tomato paste containing pulverized corn ear worms and their excreta; and coffee beans containing various foreign materials. In each of

these cases the courts have so held in spite of proof that by reason of the processing to which the product is subjected it is not injurious to health.

Fearful that notwithstanding the pressure being brought upon it the Food and Drug Administration will stand firm on the foregoing principles, as indeed it must, the proponents of this product would have Congress let down the bars for the first time since the enactment of the first Federal pure food law in 1905. The approach is subtle. The proponents would make it appear that it is not intended that the product be sold to the American consumer but instead to the undernourished peoples of foreign nations. They say, however, that these peoples will not buy it or eat it unless they can be led to believe that it is a standard item in the American diet. Therefore, they wish to debase our food standards in order to induce foreign countries to eat a product which we deem unfit for food.

Thus a governmental label of purity is sought for the admitted purpose of misleading foreign consumers, and at the same time legalizing the sale of an adulterated food product to the American consumer under a definition and standard of identity that would operate to conceal its true contents.

Our fod supply is the safest in the world and as clean as modern technology can make it. Years of effort on the part of the Food and Drug Administration and the Department of Agriculture have been devoted to this end. Vast sums have been spent by farmers, warehousemen, grain dealers, produce dealers, dairymen, railroads, flour millers, packing houses, canners, and food manufacturers in general to eliminate infestation and improve sanitation in the handling of grains, dairy and other agricultural products and all articles of food. We must not throw these achievements to the four winds in the dubious belief that deception of the foreign consumer is necessary for his own good.

Goals of the New Frontier: Major Innovations in Our Foreign Policy Will Provide a Harvest of Peace and Other Benefits

EXTENSION OF REMARKS
OF

HON. HARRIS B. McDOWELL, JR.

OF DELAWARE

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 27, 1961

Mr. McDOWELL. Mr. Speaker, the past session of the 87th Congress has been one of considerable and extensive legislative accomplishment in the field of foreign affairs. Not all, by any means, of the needs which are pressed upon the Congress and our nations by our tumultuous times have been met and much remains for the coming session and for the future. But important strides were made—strides which should ease and facilitate the conduct of our foreign policy.

Perhaps the most important of these strides was in the field of foreign aid. Here the most important new departure since the Mutual Security Act of 1954, and perhaps since President Truman's point 4 of 1950, was enacted in Public Law 87–195 (H.R. 8400). This new departure has two main routes: one in the shift to emphasis upon long-term loan financing as the main American contribution to economic development; the other in the creation of the new Agency for International Development as an integral part of the Department of State to bring our foreign aid activities into full coordination with our foreign policy in its entire scope.

The Development Loan Fund within the new AID was authorized to undertake a 5-year program of long-term loans to friendly countries with emphasis upon long-range plans for economic development and improvement. A sum of $1.2 billion was authorized for this purpose in fiscal year 1962 and $1.5 billion for each of the 4 succeeding fiscal years, 1963–66. Annual appropriations will be required for the succeeding fiscal years rather than the Treasury borrowing authority requested by the President, but in President Kennedy's words of August 29, 1961:

> The compromise which the Senate-House conferees have worked out is wholly satisfactory. It gives the U.S. Government authority to make commitments for long-term development programs with reasonable assurance that these commitments will be met. In providing 5 years of substantial authorization, the conferees have recognized the magnitude of the need in the developing countries. In insuring specific authority to enter into commitments with these countries, the conferees have recognized the necessity for this Government to give assurance that assistance will be forthcoming over a period of years. The agreement reached by the conferees today is an important decision both for the United States and the free world.

One of the tasks for the future is to insure that the commitment made by the Congress in this authorization is fulfilled, so that our development loan program can proceed in sound and succesful fashion.

The final appropriation for foreign aid was $3.9 billion—almost a billion less than the administration's original request for $4.8 billion and some $376,400,000 less than was provided in the authorization legislation. But although this appropriation was less than requested and authorized, it should also be noted that it marks an increase of approximately $100 million over the appropriations for the past fiscal year 1961.

Reorganization of our foreign aid establishment into the new Agency for International Development, authorized by Public Law 87–195, has been proceeding under the newly appointed AID Director, Fowler Hamilton. The results of this step must yet await the test of time, but legislative action in the last session has given the executive branch the administrative flexibility to make our foreign aid more efficient and a more effective instrument of our foreign policy.

A second stride forward in the field of foreign aid was taken in the appropriation—Public Law 87–41; H.R. 6518—of the full $500 million for President Kennedy's Alliance for Progress with Latin America. This program is directed at advances in fields which directly affect the lives of the peoples of Latin America. In the words of the President:

> It is an effort to create a social framework within which all the people of a nation can share in the benefits of prosperity and participate in the process of growth.

This represents a fine and proper development of our purpose as a nation in our relations with our neighbors to the south. At the same time, this act contained a special provision for $100 million to assist the people of Chile in reconstruction and recovery from the devastating earthquake which struck their country.

A third stride forward came with Public Law 87–256 (H.R. 8666) which I was pleased to cosponsor with my colleague, the gentleman from Ohio [Mr. HAYS]. This act draws together the various educational and cultural exchange programs conducted by our Government. Its overall aim in consolidating some 12 different previous acts into a whole is to promote the educational and cultural exchange programs into a more important position in the foreign relations of the United States. Clearly, this is a highly important field and one in which we are capable of doing much better. We now have a much improved statutory framework for the effective conduct of these programs as part of uor relations with the world.

Yet a fourth stride forward came in the important and morally pressing area of food for peace. An additional $2 billion was authorized by Public Law 87–28 for the sale of our surplus agricultural commodities for foreign currencies under title I of Public Law 480. In addition, Public Law 87–92 continues the authority contained in title II of Public Law 480 to use our agricultural surplus to help needy people in less-developed countries where it is not feasible to sell these commodities. The food for peace programs of our Government are surely among the most important. They are programs for which we would do well to seek further use and to further expand.

This short summary, of course, does not provide a complete catalog of all actions in the Congress or deal adequately with the tremendous role which, under our Constitution, the President plays in the conduct of our foreign policy.

Under the vigorous and farsighted leadership of President Kennedy we have taken important steps forward to strengthen our world position, to restore our international prestige, to renew vital ties with our allies, and to undertake new programs to help raise the living standards and the economic potential of newly emerging and developing nations throughout the world. The Alliance for Progress, the Peace Corps, and the establishment of the U.S. Arms Control and Disarmament Agency are examples of the type of positive programs which can be created whenever dynamic Presidential leadership and effective teamwork exists as is now the

case between our Democratic President and our Democratic Congress.

Our firm stands on Berlin, Laos, and in other trouble spots of the world, and the strengthening of our defense posture, have dramatically demonstrated to the Soviet leaders and to the leaders of other nations our steadfast determination to fulfill our global commitments. At the same time, we have worked actively for sound solutions to international problems through the United Nations, where we are so ably represented by our distinguished Ambassador, Adlai E. Stevenson, who knows that world peace cannot be obtained by slick "kitchen debates."

All of these major accomplishments in the foreign policy field have clearly demonstrated to the world our sincere desire for a just and lasting peace, with freedom for all peoples.

Since 27 Million Children Under 12 Years of Age View Television Programs Daily, FCC Chairman Newton N. Minow Is To Be Commended for Demanding That the Commercial Television Industry Raise the Standards of Children's Programs

EXTENSION OF REMARKS
OF
HON. HARRIS B. McDOWELL, JR.
OF DELAWARE
IN THE HOUSE OF REPRESENTATIVES
Wednesday, September 27, 1961

Mr. McDOWELL. Mr. Speaker, the Chairman of the Federal Communications Commission, Newton N. Minow, said in a recent speech before the Radio and Television Executives Society in New York City that 27 million children under 12 are exposed to television programs each day.

Because of the vast numbers of young people who each day view television programs, FCC Chairman Newton N. Minow is to be highly commended for asking the commercial television industry to raise the standards of children's programs.

A number of major steps undoubtedly will have to be taken in order to effectively curb the rising tide of juvenile delinquency in our country, which has an almost direct correlation with some of our present commercial television programs.

In a recent issue of Parade magazine, published by the Washington (D.C.) Post, an article by Lloyd Shearer pointed out that the Swiss have no juvenile delinquency and listed the reasons why this was so despite the increase of juvenile delinquency, not only among the poverty ridden but among the white-collar classes, in the United States and most other countries, including France, Canada, Mexico, England, and Russia.

Recently I introduced a bill (H.R. 8109) to discourage the exploitation of sex and crime on television programs, legislation which is based on laws now in effect in Canada and England. In view of these antecedents I hope the FCC and the Justice Department will strongly support H.R. 8109.

I include an editorial from the Washington, D.C., Daily News applauding FCC Chairman Newton N. Minow for his work in raising the standards of the broadcasting industry. I also include the provocative and informative article by Lloyd Shearer which I have mentioned:

[From the Washington (D.C.) Daily News]

AN APPLAUDED CRUSADE

Newton N. Minow, Chairman of the Federal Communications Commission, came up with some gripping statistics in a recent speech before the Radio and Television Executives Society in New York. He said:

At 5 o'clock this afternoon, 13 million children (under 12) will be looking at their favorite TV programs.

At 6 o'clock, these kids will number 15 million, at 7 o'clock, 18 million, and an hour later, 17 million. Altogether, as the FCC computes it, some 27 million youngsters each day are preoccupied with what they see on the screen.

"We all know," he said, "that the potential of television to help or hurt our children is enormous. We know that television occupies more of a child's time each year than school, or than church."

So, for the first time, the FCC, under its new, youthful, and energetic Chairman, is going to ask station licensees what they are doing about providing programs for children. Parents universally will endorse this move, or any other sensible steps for the improvement in quality of TV fare.

It need not be Federal censorship, but rather authoritative vigilance and occasionally such reminders as Mr. Minow puts forth soberly on the awesome responsibilities of the broadcasters. Mr. Minow said recently that he did not expect to win all the battles in his many-sided crusade for better television, but if he wins this one, American families will be forever grateful.

[From the Washington (D.C.) Post Parade magazine]

THE SWISS HAVE NO JUVENILE DELINQUENCY—WHY?

(By Lloyd Shearer)

ZURICH, SWITZERLAND.—Juvenile delinquency is on the rise everywhere—not only in slum areas but in suburban districts—not only among the poverty-ridden but among the white-collar classes—not only in the United States but in France, Canada, Mexico, England, Russia, any country you can think of. Except Switzerland.

Switzerland has no juvenile delinquency problem.

How come?

What goes with this wealthy, industrious nation of 5 million people—half Protestant, almost half Catholic?

Why in this picturesque alpine democracy partitioned into German-, French- and Italian-speaking cantonments, are there fewer policemen proportionally than in any neighboring European country—and less crime?

How do the Swiss do it? Here are a few of the ways:

Stolid and stable, the Swiss control their children more strictly than we do ours.

In Switzerland youngsters are banned from motion picture theaters until they are 16. To see most films in most cantonments they must be 18 or over. For innocuous entertainment of the Walt Disney stripe the age requirement is lowered to 12. There is strict cinema censorship on the local level. The police control the theater box office. No 13-year-old girl and her boy friend saunter into a Swiss movie house to see a Brigitte Bardot film or "Not Tonight Henry."

"We believe in raising our children," one Basel schoolteacher explained to me, "free from the violence and sex which characterize your American movies and television. Also we do not make heroes of gangsters. I guess we have a more prosaic, middle-class set of values."

The Swiss cannot understand why we refuse to classify our movies for adult and minor viewing the way France, England, and other democratic nations do.

"It makes no sense," a local official in Andermatt told me. "In America you do not allow children to frequent bars and saloons. No minors may be served alcohol in your country, yet you permit your children to see movies about call girls, prostitutes, gangsters, and infidelity.

"It seems to me," he continued, "that Hollywood movies are getting more daring all the time."

(EDITOR'S NOTE.—Forthcoming from Hollywood this year are such films as "The Children's Hour," dealing with lesbianism; "Town Without Pity," dealing with mass rape; "Splendor in the Grass," dealing with teenage sex problems. In addition, the production of nude and near-nude movies by fly-by-night operators in Hollywood has increased so widely that a group of industry leaders are finally trying to do something about the problem. Unfortunately, they can do little so long as these operators find motion picture theaters in which to release their fare.)

Actually, most individual Hollywood producers are in favor of classifying their movies. Practically the only ones against classification are Eric Johnston, president of the Motion Picture Association of America, whose handsome salary is paid by the major studios, and Albert Pickus, president of the Theater Owners of America.

These two high-minded gentlemen apparently do not believe in imposing any system on the public that might restrict the box-office take.

Says Johnston: "We only get on solid ground when we consider the effects of classification—any form of it. For here we see it for what it is—censorship, nothing more, nothing less. Who can dispute the fact that classification is essentially a surrender of parental authority, a denial of a parent's right to decide what is best for his child? * * *"

Says Pickus: "Virtually all theater men are opposed to regulatory or statutory classification. We know of no individuals or groups so Solomonesque in their ability that they should tell us what age groups should see our films. * * *"

Swiss parents to whom I showed these two quotations (taken from the September 1961 issue of the Journal of the Screen Producers Guild) smiled and snickered. They asked which was of more importance: the welfare of American children or the welfare of American theater owners. And this, mind you, from a finance-minded people who love profits.

THE REAL CAUSE

The Swiss, who have studied juvenile delinquency, do not believe its major causes are founded in unregulated movie and TV fare. They are too realistic for that. They know that broken homes, poverty, illiteracy, malnutrition, glandular imbalance, mental retardation, mobility of population and other factors play large causative roles. But it is their firm opinion that there is little juvenile delinquency in their nation because there is little parental neglect of children.

In Switzerland parents do not believe that they must not interfere with a child's individual self-expression.

In Switzerland parents do not want their children to get a driver's license or a motorbike license until the children are at least 18.

And that's the way they have compelled the cantonal regulations to read: no driver's license before 18.

Swiss parents believe that the development of a skill, a profession, a vocation is the most important factor in a youngster's rearing. And they believe that an automobile given to a young man is a deterrent to his educational progress, plus an unnecessary aid to premature dating and opssible promiscuity.

"I was shocked," a professor at the University of Neuchatel told me, "to discover in America how many high school students drive their own or family cars. I think American parents are crazy to allow this. It is educational suicide."

A recent survey made by an educator in Idaho of high school students who had autos showed none surveyed were A students. Most were D students or failing in their studies.

A further survey by an insurance company reached the same conclusion: ownership or control of an auto by a teenager in most cases leads to a lowering of educational grades.

Driving tests in Switzerland are extremely difficult, purposely so, and few youngsters obtain a driving license before they're 19.

The result is that there are relatively few juvenile car thefts or crimes involving the use of motor vehicles.

The average Swiss youth gets his first taste of danger not behind the wheel of a hot rod but in skiing, hiking, or mountain climbing, all sports which the Swiss say our youngsters should grow up with, in addition to those they already practice.

In Switzerland parents tell a child over and over again, "You must make something of yourself in this life." Offices and schools start at 7 a.m.

The Swiss honor their schoolteachers. They consider them important and pay them well. Their seven universities are world famous, and their Federal School of Technology has trained more brilliant engineers, chemists, and scientists than any other university in the world.

The Swiss also maintain a compulsory system of apprenticeship in industry, commerce, arts, and crafts. The boy who leaves school at 16 is apprenticed, say, to a watchmaking factory where he is paid a token salary while he learns what makes watches tick. He is closely supervised, must work by day and study by night. At the end of his apprenticeship he must pass a stiff examination or face the purgatory of becoming an unskilled worker.

In Switzerland a respect for labor and an interest in craftsmanship are instilled in children at an early age and reinforced time and time again.

AMERICAN MONEY STANDARDS

The Swiss make excellent teachers, and their training of children is so thorough and well rounded that for years the world's royal and rich families have sent their offspring to school here.

These wealthy children attend Swiss private schools—no typical Swiss sends his child to such an institution—and many of them are either spoiled flunk-outs from their own country's schools or children of broken homes whose parents don't particularly want the responsibility of raising them. The Swiss have seen these so-called private school children—all foreigners—in action for years and have some snide but closely guarded comments to make about them.

"The trouble with the American educational system," a Swiss educator confided to me, "is that your people don't regard your teachers as successful human beings. In America everyone uses money standards for judging success. Since teachers don't make much money they are not considered successful and are, therefore, not as widely respected as our teachers here.

"If you paid your teachers better you would respect them more. You would attract a higher type of teacher, and good teachers always help reduce the number of potential juvenile delinquents, since they inspire pupils to study and achievement."

While Swiss primary schools are coeducational, the Swiss parent does not believe his son should start dating girls until he passes 16. He believes his son should study, work, play, and prepare himself for a useful career. The same holds true for his daughter. Swiss parents are notoriously thrifty with allowances, so that youngsters don't have nearly as much money to spend as in America.

The Swiss do not believe in a society where sex is more important than work, and they impress this upon their children. The result is that the country has no Casanova tradition, but its divorce rate is also one of the lowest in the world—3.59 per thousand.

Swiss family life is stable. In the average Swiss home the mother reigns supreme. She is house proud and children proud and generally avoids frivolity. She does not vote and has never voted—except against her right to exercise the ballot.

DOMESTIC VIRTUES

She cannot take up a profession without her husband's consent, but it is she who controls the children and makes them toe the line. She impresses upon her children the need for good citizenship. She prepares her son for his compulsory military training, her daughter for a life of orderliness and thrift.

In Switzerland domestic virtues are encouraged, and domestic training schools and advice bureaus are provided for wives and young women.

Frequently girls from the very best families in Zurich are sent as domestics to homes in England and France to acquire housekeeping skills and knowledge of foreign languages.

Of late there has been an upsurge of churchgoing by young people in Switzerland, largely attributed to the increase of young, new, and enthusiastic pastors.

One of the most popular Swiss youth activities involves the various youth parliaments in which children of secondary school age meet in session, urge free railroad trips for students, more parks, more youth activities. These youth parliaments are recognized here as a useful preparatory ground for adult citizenship.

In Switzerland all men to the age of 50 face military service. They put in 4 months of training at age 20, then 3-week courses each year for the next 12 years. Every Swiss soldier keeps his uniform, gun, and ammunition at home, considers military service an honorable duty, a school for citizenship and equality.

Switzerland is essentially a country peopled by a middle-class society with all the virtues and faults of such a society. It is prosperous, solid, slow, inartistic, conservative, frugal, upright, pedantic, unimaginative, sober, precise, and hardworking.

Unlike our own country, it is not exciting, glamorous, or dynamic, but somehow while the youth of the world is enslaved in a cult of violence and crime for kicks, the people of this tiny, landlocked nation have managed to solve the problem of juvenile delinquency by setting a pattern for their children of hard work and meaningful life.

Automation

EXTENSION OF REMARKS
OF
HON. GLENN CUNNINGHAM
OF NEBRASKA
IN THE HOUSE OF REPRESENTATIVES
Wednesday, September 27, 1961

Mr. CUNNINGHAM. Mr. Speaker, the problem—and benefits—of automation are very real. They are before us today and must have the attention of the Congress.

I was privileged to speak to the Nebraska State AFL–CIO convention and pursue this subject and offer my support for the fine program which has been presented to the Congress.

I offer now my remarks before this convention in the hopes that these thoughts will throw some additional light on this subject and give all of us some basis for action in the 2d session of the 87th Congress:

Since World War II, this Nation has had its economic ups and downs. Recessions have come and gone, and after each recession has run its course, the number of long-term unemployed workers has been higher.

Today unemployment remains high. One reason is the fact that taxes are so high that business doesn't have the funds to expand. But another important and basic reason is automation. Automation is inevitable. We know it is here to stay and will expand greatly in the future, going into fields not even considered today.

We cannot stop it, nor would we want to. We must have automation if we wish to progress and hold our position as a world leader in industry and production. West Europe is pursuing automation aggressivley and we must stay ahead.

Secretary of Labor Goldberg called automation and other technological progress important to the American economy and said it may be necessary to step up the pace rather than tone it down.

As an economics major at the University of Omaha, I was taught and convinced that automation does not reduce jobs in the long run. As a machine takes over jobs in a plant or office, then new jobs are created in building and maintaining the machines. The problem, though, is that it takes a long time, perhaps years, to move from one skill to another. This is further complicated due to the fact that if you lose a job in Omaha to a machine, it may take years to get another job in some other section of the country where the machines are manufactured.

So we are faced with the situation—the fact of automation. It has created a surplus of workers and as one witness before Congress said: "Surplus wheat can be stored. Surplus workers—and this is what automation is creating—cannot."

We are all guilty of sweeping this fact of life under the rug. We ignored the situation for too long. Now it is critical.

There is virtually no trade or industry that has not or will not feel the effects of automation. Mr. David Sutton, of the Building Services Union, said that field has been affected by automatic elevators, vending machines, cleaning machines, dishwashing machines, automatic pinsetters, and so forth.

Patrick Gorman, of the Meat Cutters Union, has discussed the growth of machine wrapping, and we all know of the growth of self-service grocery stores and self-service trends in all retailing.

Railway workers have felt the impact of automated equipment in maintenance work. Office employees have been replaced by computers, a field which will show even more rapid expansion in the future, according to Howard Coughlin, of the Office Employees Union.

Joseph Beirne, of the Communications Workers, has testified on the tremendous growth of automation in the communications industry.

And we all know how automation in the packinghouses has already cost hundreds of jobs right here in Omaha.

It is estimated that 10 million persons will find their jobs replaced by machines in the next 5 years. At the same time we will have 6 million new workers entering the labor force in the same period, a total of 16 million jobs to be found in the next 5 years.

We are faced with a serious situation, locally and nationally. It has been growing for some years, yet it has not had the recognition nor the study it needs. I know—to those out of work—the words "study," "committee," and "further investigation" sound meaningless. Yet Congress—until this year—has never looked at this problem head on. It was only this summer that a special subcommittee was set up to take a close look at the problems caused by automation—and more importantly—seek to find the answers.

Congressman ELMER HOLLAND, Democrat, of Pennsylvania, is chairman of this special House subcommittee. While I am not a member of this committee, I have talked to Congressman HOLLAND at length about his work and he has been kind enough to keep me informed of its progress. I have pledged my complete support.

Congressman HOLLAND tells me that prior to this year there was little attention given in Congress to this problem, so he has had to start virtually from scratch. Thus it is that we have had these hearings, and thus it is that we have had to take time when this problem is so acute to study the issues and problems in an effort to secure the right answers.

As Mr. HOLLAND said, "If similar hearings had been conducted 7 years ago, or even in 1956–57 when I asked for them in Congress, programs would be in effect today and the unemployment figure would not have snowballed to where it is now. We would not have the millions of unskilled workers we have today * * * they would have been retrained."

As you can see, Congressman HOLLAND believes that retraining is one big answer to automation. Certainly it is. But there are other parts of the program which must also come along at the same time or we will just change the unemployment statistics from unskilled workers to skilled workers, and that would be even more tragic for this Nation if such a thing is possible.

Let me offer you this thought—automation is not the problem; the problem is what we do with the fruits of automation.

It is not just a problem for the worker, as Walter Reuther has pointed out so well. Reuther tells of watching a Ford assembly line in which a motor block was made automatically in less than 15 minutes, work that would take many workers many hours to do. An engineer told Reuther, "You know, not one of these machines pays dues to the United Auto Workers. Reuther replied, "And, do you know, not one of those machines can buy a new Ford car either."

So there is a big stake in this problem for management as well as labor.

It was pointed out time and time again in the hearings this summer that automation can and should be a blessing to our people and to the underdeveloped nations of the world. Through the use of automation, productivity can be increased and cost can be reduced. This would result in permitting all to have more, for less money, provided there are those with money to buy the products.

It is ironic that there are today unemployed skilled workers in one part of the country and jobs for people with these same skills in another part of the country. This is part of a problem that must be solved.

It is ironic that we have more persons producing more products with more total value than ever before, yet we have a high level of unemployment. This is the problem.

It is ironic that we, as the wealthiest nation in the world, have this forced idleness and waste of manpower at a time when we are engaged in a death struggle with communism and need to have a fully mobilized economy.

What answers have the congressional hearings provided for these questions? What program is now advanced?

Here are the major points:

1. Retraining—on the job—of persons whose jobs are in danger of being eliminated. This is a step for management, for they have the greatest stake—next to the employee himself—in what happens to former employees. Personal good will, community relations, product good will and buyers for the company product all enter into this in-plant training program.

2. Vocational education training of persons who have lost their jobs and whose skills are surplus in the Nation. This would utilize our vocational schools, both public and private, for courses not to exceed 52 weeks. Priority would be given to the long-term unemployed in this program. Such persons would be paid allowances not to exceed the average weekly unemployment compensation payment.

State action is needed here to allow persons in training and retraining programs to continue to receive unemployment benefits up to normal amounts and limits. Only 10 States now allow such payments.

3. Creation of a national clearinghouse to classify needed skills and match them with trained workers by geographic areas.

4. Tax relief to men who wil take jobs away from home in areas where their skills are needed but who hesitate to move their families until there is some real assurance that a new job will work out and last.

5. More effective vocational guidance programs for the armed services to prepare men and women for civilian jobs after their service.

6. And finally, recognition that the real answer to unemployment is more jobs. This requires realistic depreciation formulas so that industry can build the new plants and take the gambles that are necessary if more jobs are to be created in our growing economy.

Along with these points, it is recommended that Federal policies and programs recognize the importance of local and private efforts, which collectively can do as much to solve the hundreds and thousands of individual problems as can a Federal program aimed at the entire problem.

As a member of the minority party in Congress, I am proud that my party is lined up to support this program. This is a bipartisan effort and this is as it should be. It is a tragic thing that during the recent Congress—the longest session since the Korean war—the majority did not bring up any of these suggested measures for action. The bills involved have bipartisan support and could easily have been brought up instead of having the House consider a botanic garden for Hawaii or a fish aquarium for Washington, D.C.

It is my hope that the majority party, which controls all legislation in Congress, will bring up these important bills early in the next session.

I might say that this is no new interest for me. I've long been interested in it since my father headed a committee of master plumbers here in Omaha which worked hard to create an apprenticeship program, which was established eventually and functions to this day. I believe apprenticeship courses are, in effect, the same principle used in retraining programs I have mentioned.

There will be ample production jobs in the United States if this automation problem is met and solved by Congress and other groups. We cannot afford to continually take stopgap measures to ease the problems of the unemployed each time a recession sets in, because it has been proved that such makework measures give only temporary relief—they do not solve the problem.

I am certain that you will agree with me that we do and will have the jobs available if we only get down to the heart of the problem by training and retraining displaced workers, providing them with new skills with which to produce for a stronger America, providing them with productive employment, and giving them the pride and joy of working for a greater America rather than living off relief and handouts from the Government.

Report by Congressman Garner E. Shriver to the 4th Congressional District of Kansas on the 1st Session, 87th Congress

EXTENSION OF REMARKS
OF
HON. GARNER E. SHRIVER
OF KANSAS
IN THE HOUSE OF REPRESENTATIVES
Wednesday, September 27, 1961

Mr. SHRIVER. Mr. Speaker, it is a privilege to submit this first annual report of my activities in the 1st session of the 87th Congress to the citizens of the Fourth Congressional District.

This has been a year of transition for the Nation. A new administration, led by President Kennedy, assumed responsibility on January 20 after 8 years of leadership by President Eisenhower.

This session of Congress began by acting upon domestic proposals of the new administration. However, events in such places as Laos, Cuba, the Congo, and Berlin also required decisions and action. The new crisis over Berlin at midsummer made its imprint upon the actions of the Congress.

Swift approval was given by Congress to an administration request for defense spending which has resulted in a record peacetime defense budget of $46.6 billion—nearly $5 billion more than requested by President Eisenhower at the first of the year. Total Federal Government appropriations for the 1962 fiscal year amount to over $92 billion—over $12 billion more than the previous year.

This was the first year of my stewardship in the U.S. Congress. It was a high honor for me to be elected to succeed the Honorable Edward H. Rees of Emporia who chose to retire after 24 years of distinguished service in the in the House of Representatives.

YOUR CONGRESSIONAL OFFICE

During these first months, I have attempted to establish with the help of my staff a congressional office which would enable me to promptly and efficiently

serve the 580,000 men, women, and children of this district in their relationships with the many Federal agencies and bureaus.

The following summary indicates the efforts of your congressional office in Washington to serve you:

Held 325 conferences with officials of some 43 different agencies on cases for constituents.

Mailed nearly 10,000 Government documents to Fourth District citizens.

Handled nearly 100 matters dealing with the Department of Agriculture.

More than 25,000 pieces of mail were received in the Washington office from the district, of which 13,547 were first-class letters.

Mailed out 28,940 pieces of mail to the district, not including questionnaires or the constituent's newsletter.

Nearly 850 visitors from Kansas signed our guest book in Washington.

I followed news and editorial views on local, State, and National happenings in weekly and daily newspapers from every one of the 15 counties in the Fourth District. In addition, numerous professional and trade magazines, newsletters, and newspapers of hundreds of associations, unions, and societies reached my desk during the session.

Fourth District public works projects for flood control purposes and watershed projects received appropriations totaling $18,675,000 for the 1962 fiscal year. The Cheney Reservoir project in Sedgwick County will be one of six new Bureau of Reclamation starts in the Nation in 1962 with $2,700,000 appropriated by Congress. Military installation appropriations in the Fourth District amount to $188,000 for the projects at Fort Riley, Kans., and McConnell Air Force Base at Wichita.

Your Congressman testified four times before House committees considering legislation affecting the district. Four floor speeches were delivered on the importance of strengthening America's defense and continued production of the B–52 jet bomber.

SHRIVER VOTING RECORD—100 PERCENT

More than 14,026 bills and measures were introduced during the 1st session of the 87th Congress. Some 1,232 were passed by the House and 1,133 by the Senate. However, only about 600 were enacted into law.

Your Congressman answered 112 of 115 quorum calls in the House and had a 100 percent voting attendance record casting 116 rollcall votes.

COMMITTEE ACTIVITY

The Congress is an organization of committees. I am privileged to serve on the Committee on the Judiciary and the Subcommittee on Claims. The workload of both the full committee and the subcommittee is heavy. Thirty-four percent of all legislation introduced in the House—3,721 bills—was referred to the Judiciary Committee.

The Claims Subcommittee had 525 House bills referred to it. I was in attendance at 21 of the 23 full committee meetings, and 30 of 35 subcommittee sessions.

SHRIVER LEGISLATION

During my first year in Congress I have not attempted to author voluminous legislation However, I did introduce several bills which were the result of careful and deliberate study. Followlowing are those which I believe to be of special significance:

FEDERAL JUDGESHIP IN KANSAS

Introduced, and testified before Judiciary Committee, on a bill to provide for the appointment of a third Federal judge in Kansas. This measure was included with omnibus bill providing for additional Federal judges throughout the Nation. It has been enacted into public law.

VOLUNTARY PENSION PLANS FOR SELF-EMPLOYED PERSONS

Introduced a bill which would permit and encourage the establishment of voluntary pension plans by self-employed persons by providing income tax deductions. Passed by House and pending in the Senate.

INCOME TAX DEDUCTION FOR UNIVERSITY TUITION AND EDUCATIONAL EXPENSES

Introduced a bill which would provide that taxpayers may deduct up to $1,500 yearly on their income tax reports for tuition and other educational expenses paid to higher educational institutions for themselves, their spouses, or dependents. Pending before House Ways and Means Committee.

RESOLUTIONS ON RED CHINA

Introduced a resolution which expresses the sense of Congress against the admission of Red China to the United Nations. Passed by both the House and Senate.

It has been a genuine pleasure to represent the people of the Fourth District of Kansas in the Congress during the past session. I shall always attempt to the best of my ability to meet the serious responsibilities which face me as your representative. I invite you to keep me informed of your views on all issues which affect the district and the Nation. You may write to me in Washington, or during the adjournment I shall spend most of the time operating out of my office at 510 Schweiter Building, Wichita, Kans.

A Way to World Peace

EXTENSION OF REMARKS
OF
HON. LAURENCE CURTIS
OF MASSACHUSETTS
IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 27, 1961

Mr. CURTIS of Massachusetts. Mr. Speaker, under leave to extend my remarks in the RECORD, I enclose an article, in part, which I wrote for the Pythian International and which appeared in its issue of July 1961:

A WAY TO WORLD PEACE

(By LAURENCE CURTIS, of Massachusetts)

It might seem superfluous to write on brotherhood for a fraternal order founded in friendship, charity, and benevolence. But I shall touch on the worldwide and governmental aspects of brotherhood, and believe that my brother Pythians will find such a discussion not out of place, as our order "teaches its members to be interested in public affairs—National, State, and local" (as stated in the brief history of our order).

Members of the Foreign Affairs Committee are fortunate in having opportunities to meet people from the far corners of the world, and also to visit them. What has struck me most in these contacts is how much alike we human beings are in our fundamental reactions, whatever be the color of our skins, or the state of the civilization in which we grew up.

We found fine, friendly, intelligent, understanding, and understandable people everywhere, including such far-off places as southeast Asia and India. Only last week I was similarly impressed with five visitors from the heart of central Africa with whom some of us had luncheon. It is easy to have feelings of friendship, charity, and benevolence toward such people.

These experiences made me realize the significance of the poem by Ethel Blair Jordan, entitled "Foreign?":

"I thought that foreign children
Lived far across the sea
Until I got a letter
From a boy in Italy.
'Dear little foreign friend,' it said
As plainly as could be.
Now I wonder which is 'foreign',
The other child or me."

In this jet age, the world in effect grows smaller. People everywhere are now as much neighbors as were people in bygone days who lived only a few hundred miles apart. Neighborliness and brotherhood take on new dimensions.

The jet age has also brought to mankind incredible achievements in science, in space exploration, in the prolongation and enrichment of life—but also in the awful means of destruction. Brotherhood, to enable mankind to share these great benefits and to avoid these terrible threats, has become more important than ever.

So, when Pythians emphasize brotherhood, they are in tune with the needs of the times, and are raising a standard to which men of good will must rally.

As Americans we can be proud of the fact that world brotherhood, achieved through a world organization founded on peace and justice, has long been the foremost goal of American foreign policy.

Secretary of State Dean Rusk told the National Press Club on July 10, 1961 (referring to World War II): "Before the fighting was over, we had concluded as a Nation that we must throw ourselves into the building of a decent world order in which such conflagrations could not occur."

He explained how the efforts of the peace-loving nations have been blocked:

"The Soviet Union did not join the United Nations in fact, as well as in form, and lend itself to the commitments they and the rest of us made in the midst of a great war. An entire people was sealed off from the rest of the world, and secrecy became a prime strategic weapon. The institutions of the internatonal community were either ignored or undermined from within."

The ideal of brotherhood is based on religious conviction—on belief in the fatherhood of God and the brotherhood of man. Unfortunately, the Soviet leaders do not have religious conviction. They do not believe in brotherhood. They do not believe in the dignity of the individual. They imagine that they have a superier belief. It enthrones the state, and downgrades the individual. They seek through world revo-

lution to "liberalize" the rest of mankind from their errors and force on them the Communist beliefs.

The greatest mistake which we can make—and unfortunately have made—is to imagine that we can expect honorable dealings and honorable negotiations with such people. The abortive tractor deal with Castro is but one example.

We must not expect Communists to act fairly, or to act as nationalists interested primarily in their own country, or to act as agrarian reformers, or as scientists, or as businessmen. These may be side issues for them, but we must expect them to act first and foremost as Communists and world revolutionists.

What can we do? Be strong, be united, be firm, and ride out the storm. We shall not be deflected from our goal of a world organized for peace and justice. We still share the "vision of the world" voiced by Alfred Tennyson in his poem, "Locksley Hall":

"Till the war-drum throbbed no longer,
And the battleflags were furled
In the Parliament of man, the
Federation of the world."

Address by Gen. Curtis E. LeMay, Chief of Staff, U.S. Air Force

EXTENSION OF REMARKS
OF
HON. EMILIO Q. DADDARIO
OF CONNECTICUT
IN THE HOUSE OF REPRESENTATIVES
Wednesday, September 27, 1961

Mr. DADDARIO. Mr. Speaker, as we all know, Gen. Curtis E. LeMay, Chief of Staff of the U.S. Air Force, speaks directly and forcefully on the security of this country and on his beliefs. General LeMay spoke recently at the luncheon of the 15th Annual Convention of the Air Force Association. His speech stressed the unity of flexible and diversified air forces and I believe offers a sound understanding of the power which is contained within those forces. I submit it for the RECORD:

ADDRESS BY GEN. CURTIS E. LEMAY, CHIEF OF STAFF, U.S. AIR FORCE, FOR PRESENTATION AT THE AIR FORCE ASSOCIATION CONVENTION, THE 15TH ANNIVERSARY LUNCHEON, PHILADELPHIA, PA., THURSDAY, SEPTEMBER 21, 1961

I am very pleased to be here in Philadelphia for the 15th anniversary convention and aerospace panorama. I know I am among friends, and that makes my participation a special pleasure.

Each of us here recognizes the seriousness of the world situation. And we know that in these times no one can be a passive participant in national defense. That is why we are here. That is why this association was formed.

Each year the association seems to do the impossible by having a larger and more interesting panorama. As a result of your efforts, the thousands of people who visit the exhibits and attend the meetings will come away with an increased understanding of aerospace power and greater faith in American technology.

Many key topics will be discussed in the next few days. Out of the convention seminars, briefings, panels, and speeches will come a report to the Nation that I feel sure will be reassuring. It will constitute a firm warning to those who threaten the peace of the world.

Never before in our Nation's history have we as a people been more patient and more determined to stand together to meet aggression. Because this is true I have not chosen to discuss hardware nor review the status of our overall aerospace power. We are confident of our strength. The free world walks softly, but firmly to meet any threat.

Our present strength and its effect on world events confirms more than ever the necessity for strong defense forces, not only today, but in the future. This is a continuing situation and a problem I intend to touch upon later this afternoon.

But there is another problem that I want to discuss now. It is a matter of high priority. It is a problem I feel the Air Force Association can work with us to solve. I say this because you are part of the Air Force family—a strong and vital part—and your assistance is both welcome and needed.

This problem is a matter of great concern to me—aerospace unity—because the strength of our aerospace power comes through unity of purpose and organization.

A very knowledgeable reporter stated recently that in the early 1950's he felt he knew what the Air Force stood for, but today he doesn't. His statement puzzled me. It also alarmed me because understanding our doctrine and concepts is basic and important to our existence.

Deterrence of aggression is composed of three basic elements—forces in being, public understanding of this force, and national determination to use the force if necessary. These are the three elements that make our force credible to our friends and to our enemies. If any of them is missing, credibility suffers proportionately.

Without understanding I don't think we can have the necessary degree of determination. And, of course, credibility is nil without these two elements. Now if this reporter, who has been close to aerospace power for many years, is not clear in his own mind as to just exactly where we stand today, it only seems reasonable that less informed people may be even more confused.

Is the public confused? If it is, how has it happened?

Admittedly, the Air Force has always had a variety of thinking within its own ranks. This is to be expected in a dynamic environment. We have been drectly affected by revolutionary technology. New developments have brought changes in emphasis in our defense posture.

Other factors also enter the picture—changing national strategy—and of course—the budget. Within the Air Force we have had, in addition to differences of opinion between missile, fighter and bomber people, the strategic, tactical, and air defense concepts. Then on the other hand there are the general war and limited war schools of thought and philosophical divisions on types of deterrence. You can add to this some additional confusion about our conventional war role and capability.

Possibly this variety of views is why the sharply defined picture that we presented in the early 1950's has become fuzzy to some people.

Yet our basic concept has remained firm through the years—national security requires that we build, maintain and modernize our aerospace power, and that we emphasize forces that can survive an attack and react with war waging and war winning capabilities. Today for the first time in history, we can be directly attacked by strong aerospace forces. Therefore, the Air Force believes the greatest danger to our national survival is the direct threat against the United States itself. By preparing for this threat we believe that our strength also deters lesser conflicts for ourselves and for our Allies.

But if there is some confusion today as to how we stand, we do indeed have a serious situation. If we do nothing more at this convention than to clarify our position, I think it will be of great benefit to the public and to the Air Force.

I think we have been consistent in our concepts since the formation of the GHQ Air Force in 1935. Our basic doctrine has remained generally unchanged since that time. Gen. Frank M. Andrews, the first commander of the GHQ Air Force, was outspoken on the subject of airpower. It was at this time that our new concept of air warfare was gaining attention. General Andrews held that national security could best be attained by building offensive rather than defensive capabilities.

History, of course, has proven the validity of the concept. We have had in war dramatic examples of the decisiveness of airpower. Possibly by retracing history from the middle thirties, we can gain an insight into the cause of public confusion about our present doctrine.

Until the formation of the GHQ Air Force, our air units were not in a cohesive organizational structure. This new command consisted of three wings in the ZI. Each wing was composed of all elements of airpower—bombardment, pursuit, attack, and reconnaissance. We were small, usually situated on the same base, and we worked together. We came to know each other and we understood and appreciated the contributions each made to total airpower.

In those days we identified ourselves with the Air Corps. We had unit loyalty, but we were "Air Corps."

World War II brought tremendous growth. Wings became commands and then grew to be numbered air forces. Individuals became specialized and to a degree lost their understanding and appreciation of the contributions of the other complementary elements of airpower. For example, it soon became common to hear airmen refer to themselves first as "8th Air Force," secondly as "Air Corps."

Each of the numbered air forces, you remember, had a distinctive shoulder patch. When we became a separate service, we adopted a new uniform and received many protests against the prohibition of shoulder patches. However, we found that we accrued a dividend in our determination to have an uncluttered uniform. It was impossible to tell—visually—whether an airman or officer was in SAC, TAC, ADC, or the other commands.

This condition exists today.

Visually, there is no difference in the blue suits.

But once he begins talking, the individual more often than not will quickly inform his listener that he is in a specific command.

And sometimes an individual inherits this command identification without any great effort on his own part. I think I can be considered a prime example of this. Because of my service in the Strategic Air Command, a lot of people think I am only interested in big bombers and have little faith in or use for missiles, tactical airpower, air defense, and the many other essential elements that go to make up total aerospace power. This most emphatically is not true.

I seek weapon systems that I think can do the best job and afford the Nation the most protection. I am a military conservative in that I believe we shouldn't discard a proven, reliable weapon system or concept unless we have something that is able to replace it and do a better job. In short, I believe in having protection along with progress.

Identification with a command is not confined solely to the people now in service. The same tendency is apparent among former Air Force men and other people in civilian life who are earnest supporters of aerospace power.

As you recall, when we became a separate service, we organized into commands so we could manage our resources more effectively. We did not consider, however, that the functions of the different commands were separate and autonomous. They were all part of the Air Force and mutually supporting. We in effect gained our independence through public understanding and conviction that all elements contributed to the entire broad spectrum of aerospace power.

During our growing stages there was strong emphasis on command identification. To a point this was and is needed and desirable. But it must not go to the point where it contributes to an impression that the U.S. Air Force is a conglomeration of forces, that each type of aerospace power is separate from the other and incapable of action outside a specified role. This gives the impression of inflexibility and nothing could be farther from the truth.

Aerospace power offers the ultimate in flexibility.

The ability to use it for different purposes and to concentrate it swiftly for a primary purpose, if need be, is one of its greatest assets.

Now, if we in our natural enthusiasm have contributed to a cloudy picture, it is time we take some swift and positive action to correct this impression. Since deterrence is credible only if there is understanding and determination, this calls for even greater unity on our part as we advance into the future.

Today, the Air Force is specialized. Many of our people have to specialize in one field due to the growing complexity of weapon systems. As a result, they often remain in one command for most of their careers and do not get the broad background that was received several decades ago. This trend will become more pronounced in the future. I do not advocate a return to the so-called good old days. I merely point out that technology has tended to multiply the number of parts in our Air Force. Our problem then, as we reach higher and farther, is to maintain our unity of mission and unity as an organization as we approach operational task in space. We must keep firmly in mind the fact that aerospace power is indivisible. This is stated in our basic doctrine. This basic doctrine hasn't changed over the years. Not because our doctrine has become dogma, but because this principle has stood the test of time and experience.

And we still have the same concept—the purpose of aerospace power is to deter attack against us and if we are attacked, to destroy the enemy's means to wage war.

This requires aerospace offensive and defensive forces capable of defeating the aggressor's offensive and defensive force. Only this kind of superior aerospace force can continue to be a credible deterrent against attack.

This force should consist of both manned and unmanned weapon systems to give flexible and diversified power. Parallel development and procurement of manned and unmanned systems is therefore mandatory as we update the forces in line with technological developments.

Today, at this moment, the regular establishment—your U.S. Air Force—and your Air Force Reserve and Air National Guard units are at an alltime peak of combat readiness.

Through common purpose, mutual understanding, and respect we are capable and ready.

In closing, I believe we should do these things to insure that the Air Force remains an effective instrument of national security: First, we must have timely modernization of our aerospace forces. And we must act with vision and daring to exploit technology so as to achieve distinct strategic advantages.

Secondly, we must positively reaffirm our basic concepts. To be a credible deterrent, aerospace power must consist of flexible and diversified forces that have a war-waging and war-winning capability.

And third, we need to restate firmly that the U.S. Air Force is an entity whose elements all contribute to the aerospace power that is vital for our defense.

Not far from this very spot in 1776 our infant Nation made its Declaration of Independence. I ask that here at this convention we make a declaration of unity so that we may best serve for the common good of our Nation.

Air Force Secretary Zuckert Speaks Before Air Force Association Convention

EXTENSION OF REMARKS

OF

HON. EMILIO Q. DADDARIO

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 27, 1961

Mr. DADDARIO. Mr. Speaker, at the recent convention of the Air Force Association, to which I was invited as a participant in a symposium on "Space and the Future," a stimulating address on the Air Force job, today, tomorrow and the day after, was given by Secretary Eugene M. Zuckert. He also makes some pertinent comments on the award given Assistant Secretary Lyle Garlock which deserve your attention and I submit the speech for the RECORD:

If anyone had told me 15 years ago that tonight I would be giving this state of the Air Force message as its Secretary at this meeting, I would have dismissed the prediction as incredible. I cannot truly express my appreciation of the privilege of standing here in this role tonight.

The Air Force has expanded rapidly because it had men of vision and capacity at its head when it first became a dominant force for shaping world peace. The strange and fortunate thing was that the stature and ability of those who guided its explosive progress in critical days—Bob Lovett, Hap Arnold, Stuart Symington, and Tooey Spaatz—characterized at its best the complementary civilian and military leadership called for by the ideal working of our system of government. Believe me, Curt LeMay and I work every day of our lives to seek to maintain our partnership in that same tradition.

Besides my personal gratification at being here as the civilian head of our great Air Force, it is a source of deep satisfaction to participate in the Air Force Association's awards banquet.

Your association, through its firm devotion to the cause of airpower, has materially increased the chances of our success in the desperate struggle for peace. You have accelerated national consciousness of the essentiality of airpower, whether airplanes, missiles or vehicles for the barely penetrated frontier of space. Tonight you have here some of the heroes of that restless, productive effort.

We are gathered to honor not only prophets, but doers. We have seen their good works. They can take deep satisfaction from the tributes of those who are shoulder-close. There is no greater reward than tribute by one's own. Each of your honorees tonight is a prophet honored in his own country, among and by his own associates and coworkers.

I am sure I shall be forgiven if I add my own word concerning your top Man of the Year. Lyle Garlock has been our Assistant Secretary since 1953. He came to the Air Force with military budget experience where it counts. He became the single most effective force in giving vital civilian leadership and assistance toward maintaining the current effectiveness and future capability of the Air Force.

He combines vision and toughness—with a completely realistic sense of the workings of democracy and our Government. His motivation has always been simple; the best interests of our country. He never confused that with tactical objectives. He has always been the most delightful, enlightened and effective proponent of self-criticism by the Air Force in its advocacy—and this is certainly one of the most important functions of those who exercise civilian control. Our country can truly be grateful to Lyle Garlock, a statesman of airpower.

In addressing ourselves to the state of the Air Force, we are unalterably forced to look upon its role today in a grim struggle. The obvious place to turn is Berlin, but this is merely emblematic of a much wider battle. We will know when the Berlin drama has been played through whether the Soviets can be persuaded to see the wisdom of adherence to solemn contract and the peaceful settling of differences.

President Kennedy—because of the desperate need for some middle course between resistance and retreat, between atomic holocaust and surrender—has directed that the Air Force, the Army, the Navy, and the Marines strengthen the entire range of their military operations capability.

We are trying to provide—and swiftly—a far greater measure of flexibility than called for by our previous plans.

It has been clear to the world in recent months that the United States is going to great lengths to demonstrate again its restraint, wisdom, and maturity in the interest of world peace. One evidence of that determination has been to increase our strength and ability to resist pointed threats to the peace, without reducing the backbone of our strategic nuclear posture.

This step has certainly demonstrated to the world that we are prepared to meet the growing threat in Berlin in any way it may develop. To attain the required flexibility swiftly has placed new demands on the Air Force.

There are two principal elements of the flexibility which the Air Force is seeking to provide. Both of these are part of the function of support for the Army. In order for the ground troops to be able to fight anywhere in the world, they need an airlift capability much in excess of that for which we had planned. In the last few months we have taken firm steps in the direction of meeting the need. We have bought new transports; we have strengthened our arrangements for utilizing the capability of the civil air fleet; we have taken the first steps to bring into being the newest and most modern military transport. These are but the beginning, because we intend to continue our emphasis upon this kind of support.

The Army also relies upon the Air Force for the necessary close air support to assist the ground troops. For some years, in accordance with the philosophy of our defense planning, the emphasis upon tactical air had diminished. This trend has been reversed—we are determined to find better and more imaginative ways of providing tactical air support. We will devote resources to strengthening tactical air in being.

This job will require—and will receive the closest working arrangement with the Army. The new unified command established by Secretary McNamara this week, leading to a new type fighting unit made up of elements of the Army's STRAC and our TAC, will speed the improvements we seek. It will provide a new, high-performance, strik-

ing force, with a global mobility and fighting strength across the spectrum of warfare.

At the same time that we are concerning ourselves with the pressing problems of today and tomorrow—airlift, tactical air, and the dispensable elements of strategic nuclear striking power, missiles, and aircraft—we are devoting ourselves to an area in which the military requirements are just beginning to appear. I refer, of course, to space.

America must push forward into the frontiers of space. Our trip to the moon is not merely a trip but a means of pushing the exploration of outer space with all the potential that this has for mankind. We cannot allow any power to dominate outer space with the implications that such space superiority could lead to a deadly military disadvantage to this country.

These Air Force jobs of today, tomorrow—and the day after—certainly present as difficult an array of management problems as any organization has ever faced. We are seeking to be self-critical and constructive in our analysis of how we might do the job better.

For example, we have been particularly concerned with the manner in which our weapon systems are acquired. The implications of modern technology are such that billions of dollars are involved in the full-scale development of any new weapon system. Although we believe that we have made great strides, we are not content with our own organization or our own techniques. The reorganization of the Air Force Systems Command last spring was an attempt to get at the heart of some of the problems within our own house. It is but a start.

We are also looking to industry for improvement in its performance in fulfilling our demand for the incredibly complex devices that constitute the sinews of a modern war machine. American industry's enormous contribution to our defense posture, and the unprecedented depth of its knowledge and participation, make me confident that industry will respond constructively. The seriousness of our problem is indicated by the fact that one petty mistake of procedure in testing a new missile can cost millions of dollars if the weapon blows up on the pad because of it. It is, of course, impossible to expect perfect performance in the environment of a racing technology. Nonetheless, we are convinced that better methods of contracting and the motivation induced by more imaginative contracting philosophy can be employed to obtain substantially improved results. We are taking steps to achieve these objectives.

Three areas are particularly deserving of attention—reliability, cost, and business responsibility.

Reliability, in simplest terms, means delivery when promised of a product that will work as advertised. Slippage on either count denies to the Nation a part of its defense capability.

But we must have reliability and timely delivery at costs which don't threaten to price us out of the weapon systems business. In this day of sophisticated weaponry, the challenge is clear.

There must be a joint Air Force and industry response to this challenge. The same compulsions and initiative which produce profits from timely delivery of reliable products in commerce must be brought to bear on Government work. The designation of defense business should not abrogate normal business responsibility. We must make sure that our business relationship is stimulative and productive of the best in American industry. We are far from that goal.

The things I have discussed tonight acquire an underlined importance because of the momentous events we are witnessing in the world today. Whether your thoughts turn to Berlin, southeast Asia or the nuclear test sites in Russia, you see a world of nuclear blackmail, violation of compacts among nations, inspired civil wars, subversion and aggression. All of these are truly disheartening in a world that had good cause to think it had seen the end of war.

But these are facts, and if we are to survive—certainly to survive as a great power—we must devote our energies and abilities to dealing with the implications of these facts in a world where there is no longer any security in distance.

In such a world, our Air Force is a vital part of our defense establishment and should be a great reassurance. We in the Air Force will continue to strive to deserve the resources provided us—to sustain a worthy response to the determination of the American people to maintain aerospace power to defend freedom.

Editorials Published in Haverhill Journal and Manchester Union Leader in the Interest of American Shoe Workers

EXTENSION OF REMARKS

OF

HON. THOMAS J. LANE

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 27, 1961

Mr. LANE. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following random sampling of editorials published since 1958 by the Haverhill Journal and the Manchester Union Leader in the interest of protecting American shoe workers and their employers from unfair foreign competition. These and countless other editorials relating to the general theme of progress in the shoe industry have appeared in these newspapers:

[From the Haverhill Journal, Sept. 20, 1961]

NEEDED SHOE TRAINING

As most of our readers know, this newspaper has established an advisory board composed of local citizens who meet monthly with the publisher and representatives of various groups within our circulation area. The purpose of these meetings is to draw forth from these groups comments and programs which the Journal can promote in order to assist the communities in making progress.

Recently this monthly meeting took the form of "Salute to Labor" with the State commissioner of industry and labor, John Callahan, present as the principal speaker. At that meeting the principal subject of comment was the feasibility and possibility of establishing some sort of a shoe training school in Haverhill.

Stewart Prue of Joint Executive Board 31, USWA, AFL–CIO, was quick to comment that there is a definite need now present in the industry for certain groups of labor. One of the most important of these groups is stitchers.

This is vitally important to Haverhill and surrounding areas because our eminence in the shoe industry is due in great part to the efficiency of the workers employed in the stitching rooms of our local factories.

Unfortunately, the average age of those employees is astoundingly high. When they retire or leave the factories, there is no one to take their place.

This newspaper proposes that a shoe training school be established in this community. We will do all within our power to see that this can be done quickly and economically. There seems to be little reason why some sort of immediate facility should not be made available for the training of stitching room employees. Quite naturally if such facilities were available, these employees would also be available for garment industry employment as well.

The Journal is ready to go forward on this program.

The fact this program was initiated at a meeting of our advisory board is and indication of the responsibility this newspaper feels it owes to its readers and to the communities in which it is circulated.

[From the Haverhill Journal, Nov. 2, 1960]

TARIFFS AND HOPE

The workers of this region know the need that now exists for the protection of local industry. There are few workers in our shoe factories who do not know shoe imports have shown a large increase in recent years and that these increases have been at the cost of domestic production. Naturally, shoe manufacturers are also alarmed about the present state of affairs.

It has been reported that 58 million pairs of shoes are expected to be imported into this country by the end of this year. This figure is up from the 35 million pairs imported last year.

Of the total amount of 58 million pairs, 28 million are leather shoes and 30 million pairs are rubber and canvas footwear. Last year 22 million pairs of leather shoes were imported and only 13 million pairs of the canvas and rubber variety.

Because of this situation, Senator STYLES BRIDGES of New Hampshire has spoken sternly to the Tariff Commission and has stated that unless tariffs are raised, he will introduce legislation into the next session of Congress which will grant protection to the footwear industry.

Mayor Thomas O'Connor of Springfield, Democratic candidate for U.S. Senator, has stated his forthright position in favor of protection. Senator SALTONSTALL has been investigating the problem for some time and has attempted to arrive at a solution.

We who live in this area do not intend to sit quietly by while our most important single industry is fighting for its life. Protection is needed and it is needed quickly. It should and must be granted soon.

[From the Haverhill Journal, May 21, 1959]

IMPORTS AND IMPORTS

A news story appearing in this newspaper the other day disclosed the fact that imports of Japanese made shoes and slippers into this country increased 190 percent this past year while imports of Hong Kong shoes and slippers increased by the almost unbelievable figure of 441 percent.

This story further quoted figures which revealed that the average value of the Japanese footwear was 40 cents a pair and the value of Hong Kong shoes and slippers reached the high figure of 62 cents per pair.

American industry and labor are concerned about the rapid increase of shoe imports into this country and have urged curbing action on the part of the Congress. Yet nothing is done.

Domestic industry is being sacrificed to the whims and misguided desires of those who would have us believe that unemployment at home can be taken care of by an increase in taxes to support higher unemployment relief payments but who forget that taxes can be assessed only against those who have an income. If shoe imports continue to increase as they have done the past 5 years, there will be very few shoe workers in this city with a job, and the books of all shoe manufacturers will be liberally colored in red ink.

Charity begins at home. A reasonable policy concerning shoe imports should be

adopted, one that will not punish domestic manufacturers and inflict unemployment on American workers. This policy should be adopted now.

[From the Haverhill Journal, Apr. 25, 1958]

THE CITY'S DUTY

Again the city is faced with the problem created by the closing down of one of our local shoe factories. Certainly many conditions enter into a manufacturer's decision to stop production.

But we have been wondering if any member of the official family of our city has attempted to discover if perhaps the city government might not be able to do something to keep the doors open of this employer. Perhaps the job lies within the confines of the industrial commission, but we still feel that somebody on the council should also investigate.

Of course, there is certainly no assurance that any such action would have an effect. But the city could say to a possible future replacement that the city did everything in its power to help the manuafcturer with his problems. Such action on the part of the city would go a long way towards creating an atmosphere of cooperation between municipal government and industry in general and the shoe industry in particular, an atmosphere that, in the past, has been sadly lacking.

We hope that in the future when locations and relocations of industry are once again in the headlines, Haverhill will be at the top of the list for positive consideration. One of the best ways to achieve that position is to have a reputation of being a community ready, willing, and able to cooperate in every fair way with industry.

[From the Haverhill Journal, Oct. 3, 1958]

LABOR AND EMPLOYER

The peaceful settlement of the problems of the Fifth Avenue Shoe Co. marks Haverhill as an area where management and labor are quick to look for commonsense solutions to their joint difficulties.

When worker and employer can sit down and look at a situation objectively and logically, there is no reason why a solution should not be forthcoming.

The Fifth Avenue problem was not a simple one. It was complex, involving all the technicalities of time-study and price scales for different grades of shoes.

Representatives of management and labor sat down time and time again hoping to reach some mutually agreeable compromise. The final choice was left where it should be, with the workers. When they gave their answer by means of democratic vote, it was a notice to employers everywhere that honest workmen in Haverhill will attempt to understand management.

[From the Haverhill Journal, Dec. 27, 1958]

SHOE PRODUCTION

Production of shoes in this country will reach 603 million pairs in 1959, according to figures compiled by the New England Shoe & Leather Association.

Such production estimates bode well for the city of Haverhill where more than one-half of our employable population is engage in shoe manufacturing or allied trades.

Maxwell Field, executive vice president of the New England Shoe & Leather Association, has predicted that shoe output this coming year in New England will rise to 206 million pairs, an increase of 5 million over 1958 figures.

"A good year in 1959" seems to be the slogan for the entire industry. Various reasons have been put forward as the cause for the favorable estimates. Better business conditions generally, cooperating weather, and the growing up of the wartime babies, all have been advanced as the sole basis for more shoe production. But it has probably been a combination of the three acting and reacting with one another that has produced the trend that shoe people have been looking to for some time.

We hope that the negotiations now being carried on between labor and management regarding a Haverhill contract reach a successful conclusion and that both groups will enjoy a profitable year.

[From the Union Leader, June 14, 1958]

QUESTIONS FOR BASS

In explaining his reasons for voting in favor of a 5-year extension of the liberal reciprocal trade program, despite the damage that New Hampshire industry has suffered because of our crazy, mixed-up trade policies, and despite the resultant unemployment, Representative PERKINS BASS made two ridiculous statements.

First, he said he felt it would be "a bad way to legislate to have tariff matters decided legislatievly as in the old days. It would encourage log rolling in Congress." We would like to ask BASS when the U.S. Constitution was changed—legally, that is—to take away Congress' power to regulate commerce with foreign nations?

BASS also claimed that he recognized the need to have adequate safeguards to protect certain industries, such as the textile industry, but that he thinks the administration's bill has sufficient safeguards. What we would like to know is what good is an escape clause that is seldom invoked? If by "adequate safeguards" BASS means the provision of H.R. 12591 which stipulates that organizations or groups of employees can file an escape clause application, that still does not guarantee that the escape clause will be invoked by the President.

As a matter of fact, of the first 74 applications under the escape clause, the Tariff Commission recommended favorable action to the President in only 15 cases. And the President finally invoked the escape clause in only 7.

Hard-hit New England textile and shoe industries and their unemployed will be interested to know that the seven products were: watches, bicycles, linen toweling, alsike clover seed, dried figs, hatters' fur and women's felt hats.

[From the Union Leader, June 2, 1958]

HE'S MISSING AGAIN

Three of four members of New Hampshire's congressional delegation have responded affirmatively to the plea of the New Hampshire Shoe Workers Union of Manchester for assistance in obtaining reasonable protection from foreign imports for the hard-hit shoe industry.

The delinquent? You guessed it—Representative CHESTER MERROW.

At the time the letter from union business agent, Emile Simard, was received in Washington, MERROW was out of town. But that was nearly a month ago.

It would be nice if the representative for the American Association for the United Nations would tell Mr. Simard and his constituents—at his convenience, of course—just how he feels about the local union's request for curbs on the importing of foreign-made shoes.

[From the Haverhill Journal, Apr. 18, 1959]

HIDES AND HAVERHILL

In the city of Haverhill, more than half of the working population is employed in the shoe industry and allied trades. This does not include those large numbers employed in tanneries.

Because of the importance of leather to the economy of this community and the surrounding area, any action of the Federal Government that affects the supply and price of leather is of great importance to the citizens of this region.

When the Agriculture Department informed New England congressional delegation that it was going to act to partially relieve the severe shortage in the supply of raw materials for some kinds of leather, this newspaper had to cheer. Of course, it took that Department a long time to act, but we can't expect bureaucrats to react to economic facts as fast as private industry must if it is to remain in operation.

But the action of the Department is not the entire answer to the problem confronting tanners and manufacturers. It will not increase the supply of hides, but will act to only partially reduce the very large demand now being exhibited in the leather market.

France and Italy have placed embargoes on the shipment of hides from their countries. The Iron Curtain countries are in the world market purchasing every kind of leather available, apparently in order to fulfill Khrushchev's promise to the Russian people that they would have proper clothing. Recently every goatskin in the Indian market was cleaned out by the Soviets. If this continues, our foreign aid funds used to purchase hides in this country will aid the Communist plan by permitting certain countries to purchase hides here and export their own production in such a way that it will end up in the hands of our cold war enemies.

The cold war may have seemed a long way from the pleasant streets of this community but at this moment it is being fought in our factories and in the pocketbooks of employers. If we do not act; if we do not act soon; if we do not act soon and effectively, Haverhill and the entire surroundnig area can expect to be the scene of major wreckage in a war that is being fought without the use of arms.

[From the Haverhill Journal, Apr. 14, 1958]

AN UNBALANCED POLICY

At the start of 1958 approximately 54 percent of Haverhill's working force was employed by the shoe and allied trades industry. It is not difficult to see that anything which would affect the shoe industry would have its ultimate effect on the wages and standards of living enjoyed by the workers of our community. About one-half of the total annual wages paid in our city comes from this trade.

A considerable amount has been spoken and written about the foreign trade policy of our country in recent years. Over and above the fact that some $73 billion have been spent during the past few years outside of our country, there are other items in the foreign trade policy which greatly affect our economy, one of the most important being the tariffs placed on merchandise imported from foreign manufacturers.

An announcement was made recently concerning a 5 percent cumulative reduction of import tariffs on shoes for the next 5-year period which, in the final analysis, totals an overall 25 percent reduction. This type of legislation can do nothing but destroy that most fundamental part of our city's economy, namely, the small independent shoe manufacturer.

It is only through your individual efforts in expressing your opinions and concern on this type of legislation to your Representatives that we will collectively be able to stem this rising and imminent danger to our welfare.

[From the Haverhill Journal, June 30, 1958]

WELCOME BACK

It now appears that the Knipe Bros. factory in Ward Hill will be back in operation soon as part of the system of the Gardiner Shoe Co.

It would be well for Haverhill to find out from George Shapiro just what prompted his decision to return to Haverhill. Did any officials of the chamber of commerce seek him out? Did the Industrial Development Commission approach him? We doubt it. These bodies seems to be too interested in their internal affairs to go out and accomplish anything.

We know that the IDC is attempting to choose a full-time executive but that should not be an excuse for inaction. When a city stands to lose a factory as large as Knipe Bros., the responsibility lies on the commission to act and act quickly.

George Shapiro is well known as one of the operators of the Shapiro Bros. shoe factory that left Haverhill many years ago, mostly because of labor difficulties. We are glad to welcome him back. The Shapiro Bros. factory moved to Auburn, Maine, and has been tremendously successful. We hope the new Shapiro enterprise will prosper in its old surroundings.

We congratulate George Shapiro on his acquisition. We hope it means a better Haverhill. We only wish his presence here was the result of some prompting by organizations which were formed to accomplish just that.

[From the Union Leader, Sept. 8, 1958]

SHOE WORKERS TAKE A LACING

Emile Simard, business agent for the New Hampshire Shoeworkers Union of Manchester, in endorsing the recent report of the New England Shoe and Leather Association—which cited the fact that the shoe industry's share of the consumer dollar is now at an all-time low—highlighted one of the major reasons for this sad state of affairs. Foreign competition, Simard pointed out, "represents a good part of the employment and production which we in the United States missed."

Simard then pointed out some startling statistics: 11 million pairs of shoes imported into the United States last year; at least 15 million pairs scheduled to come into the country in 1958; and an estimate that by 1965 the figure will reach 25 million pairs annually.

Putting these statistics in understandable form, Simard charged that the latter "represents 50 factories producing 10,000 pairs of shoes each week for a full year."

And, to add insult to injury, the American Government has been training foreign producers in American methods of shoe manufacturing—also at your expense.

We are truly living in a remarkable era. Never before have the American people shown such willingness and ability to absorb unnecessary punishment. In an earlier era such shenanigans would have caused a spontaneous outburst of mass indignation.

[From the Haverhill Journal, Aug. 24, 1959]

ANOTHER BOOST

Decision of the Eames Shoe Co., Inc., to locate in Haverhill is another tribute to the skilled shoeworkers of this area.

Industrial Director Irving Franklin has reported that Sam Schoenfield, president of the company, stressed the high standards of workmanship that have placed their mark on Haverhill-made shoes as an important factor in his company's choice of location.

Director Franklin also states that the willingness of the city to embark on an industrial parking program is another factor influencing this company to operate here.

If Haverhill also is to be attractive to other industries, not in the shoe manufacturing field, adequate industrial parking is a necessity. This area has a definite edge on other areas when shoemaking is concerned, but when general industry is our target, we compete on an equal basis.

Many firms could make good use of the now vacant floorspace in Haverhill's industrial area. But without adequate parking facilities available in the vicinity of that floorspace, it will remain vacant.

Industrial parking is needed in Haverhill. We hope that a program to provide that necessity will be started soon.

Politics and People: A Platform for Peace

SPEECH

OF

HON. MICHAEL A. FEIGHAN

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 26, 1961

Mr. FEIGHAN. Mr. Speaker, as we look back on the 1st session of the 87th Congress all of us are mindful of the unfinished business we came here to conclude. But some of us are mindful of the urgent business which arose after this Congress convened and which remains unfinished. In my judgment, the most urgent business to come before this Congress is the Berlin crisis, that is the third Russian-provoked crisis over the future of Berlin and the German nation. This business, this crisis, arose after this Congress convened. Congress responded to the new military programs proposed by President Kennedy for the defense of Berlin and the free world community, and this response on the whole has brought greater strength and versatility to our defense capabilities. What needed urgently to be done to secure the strongest position of military preparedness for our country has been done so far as authorization of programs and funds by the Congress is concerned. Every Member of the House has a right to some satisfaction for this record.

Military preparedness alone will not produce the just and peaceful resolution of the problems relating to Berlin and Germany. It is, however, a condition sine qua non to meeting the worldwide challenge of Russian Communist imperialism, of which the crisis on Berlin and East Germany is a vital part.

There is an urgent need for all of us to look beyond military preparedness to that plateau of international life which offers a just and lasting peace. President Kennedy in his stirring address before the General Assembly of the United Nations offered this admonition for those who may be inclined to the narrow view:

For peace is not solely a military or technical problem—it is primarily a problem of politics and people.

Politics and people, then, are the key to the kind of universal peace our Nation now seeks and has sought throughout its history.

This concept is not a new one. It has fermented in the minds of great thinkers and outstanding statesmen over the centuries. But there is something novel about it in our times and the manner in which President Kennedy has provoked the concept has the ring of greatness. For too long our national purposes have been burdened down with dehumanized economic proposals and dull technological details, all lacking sufficient appeal to stir the hearts and souls of the common man. As a nation we have been talking to the few while ignoring the many and too much of our talk has been with the miserable few who tyrannize the multitudes in that vast area of the world behind the Iron Curtain. We have paid dearly for this self-imposed isolationism from the common man of the world. The greatest price we have paid has been the surrender of our traditional role in the international arena on politics and people to the Russians. And the consequences of that default are all too painfully evident.

President Kennedy has left no doubts that he intends to wrest the initiative from the Russians in the international arena on the basic questions of politics and people. He began his drive to restore our Nation to its traditional role in international political affairs with his answer to the Russian aide memoire on Berlin and East Germany. In that reply he served notice that our country was prepared to reach a peaceful solution to the problems of Berlin and East Germany through application of the universally accepted principle of self-determination. The proposal went to the heart of the substance of politics and people. The appeal of that challenge lifted the hopes of the European peoples on both sides of the Iron Curtain. That is, their hopes for a peace with justice for all the peoples of central-east Europe. The Russians shied off from this peaceful proposal while unleashing their confusion techniques through their worldwide propaganda machine. Those confusion techniques sought to bury the President's peaceful proposal in a deluge of fake charges, not the least of which was placing the Russian label of imperialism on that peaceful proposal.

It was in these circumstances that I introduced House Concurrent Resolution 354, which would have placed Congress squarely behind President Kennedy's proposal for a peaceful settlement of Berlin and East Germany on the basis of self-determination. Other resolutions on the Berlin crisis were introduced which in my opinion were generally too legalistic, too cold toward the great human issue involved, too heavily weighted with military considerations and too much out of tune with the "politics and people" aspects of President Kennedy's policies. It was for these reasons that I objected under the unanimous-consent rule when House Concurrent Resolution 351 was scheduled to come before the House. I was informed when I made the inquiry on the floor of the House, that Members would not be given the opportunity to offer amendments on that resolution and that debate would thereby be limited to the chorus of "yeas," which, as many Members feel, is unbecoming to the greatest political forum in the world. I had no other alternative but to object.

Members of the House who were directly concerned with the pending resolutions on the Berlin crisis adjusted their

differences of opinion, with the constructive assistance and helpful leadership of the distinguished chairman of the House Foreign Affairs Committee. A revised resolution was prepared and printed as a committee print and readied for consideration by the House. That revised resolution was scheduled to come before the House on August 7. Members of Congress will recall that many had to adjust their plans to be present on that date, feeling that the matter at issue was serious and that it was vitally important for Congress to register its meaningful support for the firm position taken by President Kennedy. It was a matter of great disappointment to the membership of the House when consideration of House Concurrent Resolution 351, as revised, was removed from the calendar and the House failed to take action in support of President Kennedy. The chairman of the Committee on Foreign Affairs and the Members who worked out the revised resolution with him bear no responsibility for the failure of the House to act on this issue.

It is significant to note that President Kennedy, in his address before the General Assembly of the United Nations, gave spirited proof of his intention to press the case of self-determination as the mediator in the disputes between the Russians and the West. He again challenged the Russians to apply this principle to the unresolved issues. He went further than the position taken in his reply to the Russian aide memoire when he warned the Russians "that the tide of self-determination has not yet reached the Communist empire." This warning urged the Russians to give up their empire of force, terror, and despotism before the tidal wave of nationalism, that is, the powerful wave of national independence, shatters it and the Russian nation along with it. Then he went a step further and put this political challenge before the entire membership of the United Nations:

> Let us debate colonialism in full—and apply the principle of free choice and the practice of free plebiscites in every part of the globe.

Let there be no doubts that President Kennedy has entered the international political arena or that he intends to dominate the central issue of "politics and people" in that arena. It is time that Members of Congress were given the opportunity to stand up and be counted on this issue. I regret that the House adjourned without giving the Members this opportunity. The full voice of Congress is yet to be heard on this vital question of the day.

Tito: A Case of Western Disillusionment and Defeat

EXTENSION OF REMARKS
OF
HON. MICHAEL A. FEIGHAN
OF OHIO
IN THE HOUSE OF REPRESENTATIVES
Wednesday, September 27, 1961

Mr. FEIGHAN. Mr. Speaker, the Conference of so-called uncommitted nations held at Belgrade, Yugoslavia, a few weeks ago produced far-reaching results of a positive nature for the cause of freemen. These positive results were a fortunate accident of the Conference. In no sense were they contemplated by all those attending the Conference. They were forced upon the participants in that affair through the resumption of nuclear weapons tests by the Russians. Exposure of the Russian nuclear weapons tests by the United States on the day the so-called uncommitted nations opened their meeting produced a unique situation in which solid judgments on the real character and fixed intentions of the participants could be made.

We must never forget, nor allow the peoples of the free world community to forget, that those who gathered at Belgrade have long claimed detachment from either the cause of the Western World or the camp of the Russian Communist bloc. Most of the characters in the Belgrade comedy had taken special precautions to avoid too much public identity with the ideals of either side in the struggle between freedom and slavery. Some took great public pride in choosing the course of "positive neutrality," while never explaining what they meant by "positive," preferring to stir up speculation and indeed false hopes among the gullible in the free world community. The third Russian-provoked crisis on Berlin, with its built-in implications of nuclear war stimulated by Moscow, was put forth as the justification for the gathering of the so-called uncommitted at Belgrade. As the self-proclaimed third force in world affairs they claimed custody of a moral force which was to be exercised to save the world from nuclear disaster.

Many years of propaganda effort were expended to create this image of the third force. Tito was a leader in this propaganda effort. He and his agents had labored patiently and persistently throughout south and southeast Asia, the Middle East, and Africa to establish this image. And the United States, by virtue of our self-delusion about Titoism and our extravagant economic and military assistance handouts to maintain Tito in power, must share the guilt for Tito's success. For Tito had succeeded in luring many of the newly independent nations into his Russian beartrap. Tito was the first to learn the technique of sailing along on cloud nine of the cold war; that is, appearing to be free from control of the Russian totalitarian bloc while at the same time appearing uncertain as to where his sympathies in the cold war should be anchored. The cloud nine techniques employed by Tito had won him an enviable stature among the international opportunists and he had no trouble in recruiting students avidly interested in learning the skills involved. When Tito called for a special meeting of his class at Belgrade his most adept students lost no time packing their propaganda bags and heading for their final exams in Titoland. This was to be the culmination of some 10 years of Tito's labors. He had every right to test the fruits of his labors. His Russian friends had prepared the favorable climate of world opinion for Tito to make the supreme test of his labors.

This was the background of political realism for the Belgrade Conference. This is the only reliable background against which valid judgments can be made of the individual participants and the overall results obtained.

It is a curious phenomenon which finds much of the free press shocked at the behavior of most of the participants at Belgrade when news of the Russian resumption of nuclear weapons tests burst over the Conference. This phenomenon has dangerous implications. It suggests that the cause represented at Belgrade was honest, that the concerns of those gathered were legitimate and that the so-called uncommitted were not handmade pawns of Moscow. A continuation of this self-delusion by responsible elements in the free world community portends total victory for the Russian drive of world conquest. A people who cannot distinguish friend from foe and who place any part of their future in the hands of professional blackmailers have no chance of survival in the ideological storm which grips the world. The Belgrade Conference exposed the intractable foes of the United States with a sharpness which reasonable men can no longer ignore. The blackmailers were marked with an indelible stamp that no amount of camouflage can disguise. And the weak and timid were marked for what they are—unreliable in situations requiring honesty and raw courage. The moral force which the chorus of the uncommitted has long claimed turned out to be the "league of immorality" by any standard of measurement.

These results are among the self-evident values of the Belgrade Conference. There are others not so self-evident which are more vital to the interests of the United States and the free world community. Among these are:

First. The bold and skillful manner in which Tito defended the Russian resumption of nuclear weapons test. Tito not only joined with the Russians in their efforts to frighten the free world community into submission, but he provided the escape hatch justification for their behavior. This he did by alleging that Khrushchev was under great pressures from contending forces within the Kremlin aristocracy, causing him to resume such tests. The implications of this allegation were that the refusal of the Western Powers to accept the dictations of Khrushchev on the Berlin crisis left him no other choice but to authorize the test resumptions.

Second. The calm Tito handling of the "unexpected" during the opening day of the Conference suggests that he was well briefed in advance by his Russian comrades and thus well prepared to act out his role as defender of their actions. It is altogether possible that this entire affair was carefully arranged between Tito and Khrushchev as a device to stampede the "uncommitted" nations into the Russian barnyard thus tipping the balance of power so strongly against the West that no other course but concession to Russian demands on Berlin would be open to us. This same technique was used by the Russians in 1957 with the successful launching of the first sputnik. Then the effort was

made to destroy NATO by frightening the European members into a panic of withdrawal from that mutual defense pact. An emergency meeting of the NATO Council to hear a strong appeal from President Eisenhower for unity and calmness was necessary to cushion the severe shocks of that Russian strategic maneuver. The unbridled attacks against the West in general and the United States in particular launched by the majority of those attending the Belgrade sessions, delivered in the immediate wake of the Russian nuclear tests, suggests a well thought out conspiracy against truth and justice. Tito was the key to the execution of that conspiracy and must henceforth be rated on that basis.

Third. The eagerness with which certain elements of the free press lent themselves to advertising the escape hatch Tito set up for Khrushchev indicates a critical need for politically mature news correspondents at international conferences. At face value the Belgrade gathering was calculated well in advance as a device for degrading and weakening the firm position taken by President Kennedy on the Berlin crisis. The only reasonable questions were how much damage the propagandists gathered there could do to us and how much help they could provide the Russians. In the face of the obvious, an American correspondent of one of the news services rushed into the trap and went overboard lending credibility if not substance, to the Tito-Khrushchev shell game. Reportorial imagination typical to writers of wild west novels but entirely out of place in the setting of an international conspiracy, had Khrushchev engaged in a life and death struggle with the Red army leaders, with the Red Chinese assaulting him from the flanks and the peace of the world hanging in the balance. Khrushchev came out of this fiction appearing as a highly motivated hero. Nothing has been done to correct this fraud upon the people so the Russian guilt for resumption of nuclear weapons tests remains blurred.

Fourth. A significant but disconnected story was reported from Tehran, Iran, by the same news service exposing Russian threats of nuclear destruction of Iran unless that nation withdrew from CENTO. These threats were given meaning by the reminder of Russian nuclear tests then taking place just across the common border. This story explains one of the pieces in the complicated pattern of Russian plans connected with her resumption of nuclear tests. Tito is another but much more important piece in this pattern and to judge him otherwise is to refuse to recognize a dangerous enemy.

The reaction of President Kennedy to the outcomes of the Belgrade gathering give high promise that the game of self-deception with respect to Tito will come to a proper close—with Tito excluded from the competitive contest of raiding our public treasury. It is time this game was ended. Tito took us for much more than $2 billion over a 10-year period. The record shows that the more we allowed him to pilfer from us, the harder he kicked us. A change for the better calls for kicking Tito and his henchmen where it will be felt the most—in their grabby and treacherous hands. In bringing this dangerous and costly game to a close, President Kennedy should cause to be written upon the scorecard this warning: "A case of Western disillusionment and defeat."

The Living Death Under Communism

EXTENSION OF REMARKS
OF
HON. MICHAEL A. FEIGHAN
OF OHIO
IN THE HOUSE OF REPRESENTATIVES
Wednesday, September 27, 1961

Mr. FEIGHAN. Mr. Speaker, one slogan current in the free world today reflects the fears of the miserable few who seek to impose their will upon the firm resolutions of the many. To me, this is a classic example of the tail attempting to wag the dog. I refer to the defeatist slogan of "Better Red Than Dead."

The overwhelming majority of the people of the United States have rejected the admission of cowardice and mediocrity expressed by this slogan. The victims of Russian totalitarian aggression know the living death that communism imposes upon all the people wherever it succeeds in taking over the reins of power. Such an organization is the Ukrainian Association of Victims of Russian Communist Terror in Canada. The members of that association are attempting to communicate to the uninformed and the inexperienced the realities of life under communism. To encourage them in their positive actions, I have sent a letter of greetings to their annual meeting scheduled to take place in Toronto, Canada, next month.

Under leave previously granted I insert my letter in the RECORD:

MR. NICHOLAS PRYCHODKO,
National Chairman, Ukrainian Association of Victims of Russian Communist Terror (SUZERO), Toronto 18, Ontario, Canada.

DEAR MR. PRYCHODKO: Thank you for your good letter informing me that the 11th Annual Convention of the Ukrainian Association of Victims of Russian Communist Terror (SUZERO) will convene in Toronto. Please extend to all the members of the association my warm greetings and best wishes for a successful meeting.

The members of the association are well acquainted by personal experience with the terroristic methods employed by the Russians against the peoples in all the nations under their despotic control. Hence, the work they are doing to awaken the peoples of the free world to the stark realities of Russian Communist methods, tactics, and final objectives is of critical importance to the strength of the free world community. There is no substitute for first-hand experience in any field of human relations and your people have the kind of experience with the realities of life under Russian rule which must be communicated to the inexperienced.

I am convinced beyond any doubt that the Russian leaders are now making an all out effort to apply their techniques of terror against entire nations that are now free. They are using their present nuclear weapons tests in an effort to frighten the people of the free world into submitting to their demands on Berlin and East Germany. In the free world we hear the voices of weaklings and cowards shouting "Better Red than Dead"—which means nothing more than surrender. What these cowards fail to understand is that the life under communism which would come with surrender is worse than death—it is a living death. These same weaklings and cowards, if subjected to life under Communist rule, would be the first to welcome death as an angel of mercy. It is time that brave men began shouting "Better dead than Red" because courage and valor have always been the foundations of a free society.

The dedicated, fanatic Communist has been imbued with the idea that he should be prepared to die for the cause of communism. Many of them assume tasks in which death is a constant partner and do so in the belief that should they die their death is "an historical necessity" in order that communism may triumph throughout the world. In the early dawn of democracy, the Christian believers marched to their deaths in the confident realization that their greatest sacrifice would bring to the entire human family that way of life which benefits the dignity of man. From this basic Christian belief, supported by the martyrdom of untold numbers of believers, has come the culture, the values, the ethic and the ideals of western civilization, upon which democracy as we know it is built. Self-government which depends always upon the freely given consent of the governed originates from an understanding and recognition of the dignity man. Communism and all that it implies is the antithesis of these beliefs. This we should never forget. Nor should we forget the martyrdom of the early Christians or the later day Ukrainians as we who are free face the testing crisis of our beliefs.

I commend the work of your association in bringing the truth about communism to your fellow citizens in the Dominion of Canada and again wish all of you the fullest measure of success.

Sincerely,

MICHAEL A. FEIGHAN.

LAWS RELATIVE TO THE PRINTING OF DOCUMENTS

Either House may order the printing of a document not already provided for by law, but only when the same shall be accompanied by an estimate from the Public Printer as to the probable cost thereof. Any executive department, bureau, board, or independent office of the Government submitting reports or documents in response to inquiries from Congress shall submit therewith an estimate of the probable cost of printing the usual number. Nothing in this section relating to estimates shall apply to reports or documents not exceeding 50 pages (U.S. Code, title 44, sec. 140, p. 1938).

Resolutions for printing extra copies, when presented to either House, shall be referred immediately to the Committee on House Administration of the House of Representatives or the Committee on Rules and Administration of the Senate, who, in making their report, shall give the probable cost of the proposed printing upon the estimate of the Public Printer, and no extra copies shall be printed before such committee has reported (U.S. Code, title 44, sec. 133, p. 1937).

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Senators, Representatives, and Delegates who have changed their residences will please give information thereof to the Government Printing Office, that their addresses may be correctly given in the RECORD.

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Congressional Record

PROCEEDINGS AND DEBATES OF THE 87th CONGRESS, FIRST SESSION

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Appendix

NOTICE

The last issue of the daily Congressional Record for the first session of the Eighty-seventh Congress will be published not later than Tuesday, October 17, 1961. It is requested that copy and proofs of speeches withheld for revision, or extensions of remarks as authorized by either House, be submitted to the Government Printing Office or to the Congressional Record Clerk, Statuary Hall, Capitol, before that date.

By order of the Joint Committee on Printing.

CARL HAYDEN, Chairman.

Comments on Accomplishments of 1st Session, 87th Congress

EXTENSION OF REMARKS

OF

HON. VANCE HARTKE

OF INDIANA

IN THE SENATE OF THE UNITED STATES

Wednesday, September 27, 1961

Mr. HARTKE. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD, my comments on the accomplishments of this 1st session of the 87th Congress for the benefit of my constituents in the great State of Indiana.

There being no objection, the comments were ordered to be printed in the RECORD, as follows:

The 1st session of the 87th Congress was one of activity and action, programs and progress.

It began, of course, as a new administration came to office. But it inherited many serious problems. Unemployment was high; farm income was low and dropping. Businesses were failing faster than in the great depression. The world was aflame. Cuba was Castro's. Laos and Vietnam were threatened. The Congo crisis was boiling. Berlin's coming events cast their shadow.

Against this backdrop of serious and ominous events, Congress and the administration went to work. First things were tackled first.

The hungry were fed and programs to stimulate the economy were enacted. Business was boosted. Credit was eased. Confidence was restored.

Our defenses were given new muscle. Aid for our allies was changed to cut out waste and inefficiency.

The farm problem was attacked with a new program. Congress, with the leadership of the new administration, set to work to build more and better homes, build our water resources, stamp out crime and rebuild our cities and areas suffering from chronic unemployment.

The President's 203 recommendations to Congress for new laws were the highest number in many years. Congress' action in voting 124 of these was also the highest number in years and the highest percentage of performance in years. Yet, Congress did not railroad legislation through nor did it rubberstamp. The budget recommendations for the bookkeeping year which began on July 1 were cut $1,368,993,290.

This was a hard-working Congress, involving long hours in committee and long days in session. Senate committees reported favorably on 1,239 measures, of which 1,133 were passed. We confirmed 4,164 persons for policymaking jobs in the new administration and 48,962 military officers for appointment or promotion.

It was my privilege to work on committees which were among those that contributed heavily to the accomplishments of the 87th Congress. In Finance Committee, we wrote the new social security benefits and new veterans' benefits as well as the new highway financing program. In Commerce, we wrote legislation on piracy in the skies, worked on safer air travel, expanded weather research, provided for exploration of the oceans for navigation, defense and food. In the District of Columbia Committee we made it possible for the people of Washington to vote for President and we attacked the juvenile delinquency problems.

It is, of course, impossible to list all the accomplishments of Congress and how the citizens of Indiana specifically will benefit. I shall, however, list some of the important bills passed and summarize how our State has benefited from some of these laws and from important programs administered by the Federal Government.

NATIONAL DEFENSE AND FOREIGN RELATIONS

In these days of international crises and threats from the Soviet Union, the most important work in Washington remains our efforts to keep the peace and to insure adequate defenses. There is no question but that our efforts were lagging. Much of the funds provided by Congress during the previous administration were not used. The Polaris submarine program through which we are able to hold nuclear bombs beneath the seas in readiness was one which Congress forced upon a reluctant administration.

This year we voted $6 billion more for defense than the previous administration had asked for. (The budget for the bookkeeping year starting last July 1 was prepared by the outgoing administration and revised by President Kennedy.) This allows doubling the Polaris program, beefs up our missile production, increases our bomber alert and strengthens us for guerrilla-type and other limited warfare such as we may encounter in Berlin. We also gave the President authority to call up reserves and we provided new muscle for the civil defense program.

While we arm for possible war, we cannot overlook the hope that some day we may find the elusive peace we long for. Thus, this Congress provided for creation of a Disarmament Administration, which may eventually be our great hope for permanent peace. We also created a Peace Corps, as requested by the President, to bring American know-how to the underdeveloped countries of the globe. This, too, promotes friendship and peace and will help other nations help themselves to achieve what we have been able to under freedom. Unless the downtrodden countries and peoples of the world find prosperity and security under freedom, they will experiment with communism.

This, too, is the essence of the Alliance for Progress, the modern "good neighbor" program for Central and South America which holds great hope for maintaining freedom in our hemisphere.

I look forward to the day when foreign aid will stop. Twice, as a delegate to the NATO meetings, I have told delegates from other nations that the burden of foreign aid is something that others should share

with us and that the burden on American taxpayers must be lightened. The new administration is now trying, through long-term commitments and reorganization, to end waste and inefficiency. Congress has supported their efforts. These new concepts were backed in the Senate by 78 percent of the Democrats and 65 percent of the Republicans.

It is important to note that the foreign aid program does not cost American jobs. Actually it makes jobs for U.S. workers. Most of the foreign aid funds are spent here in the United States to buy goods made by U.S. workers. About three-fourths of aid funds have been spent in the United States—it is expected to reach 80 percent soon—and a recent study showed that it is responsible for 600,000 American jobs. By promoting prosperity of countries abroad, the aid program results in an enormous expansion of U.S. export markets, thus creating more job opportunities for American workers.

The total moneys proposed for all foreign aid programs is less than two-thirds of what America spends on tobacco every year and about half of America's expenditure for liquor.

I hope that my constituents thus are not misled into believing then, that foreign aid does not bolster our economy at home. The program helps as as much as it assists our neighbors abroad.

Further it should be emphasized that not one church denomination, to my knowledge, voiced a dissenting opinion on the administration's proposed foreign aid program. The churches viewed the foreign aid program, as an act of "doing unto others as one would have others do unto them."

In Indiana, a total of $1,101,289 was spent under the mutual security program—the so-called foreign aid—the 17th highest in the Nation—for freight and commodities of Hoosier products, for the fiscal year of 1960.

The following Indiana firms and cities which benefited under this program are: Cummins Engine Co., Inc., Columbus, $43,-143; Roots-Connversville Blower Division, Connersville, $4,122; Mead-Johnson & Co., Evansville, $57,646; Admiral Products, $1,-338; McClumpha Overseas, Inc., $77,970; Symington Wayne Corp., $4,924; Utility Products Co., $6,861; World Bestos, $4,880 (all Fort Wayne); Diamond Chain Co., Inc., $107,453; General Grain Inc., $128,676; Eli Lilly & Co., $50,145; P. R. Mallory & Co., Inc., $1,856 (all Indianapolis); Joy Manufacturing Co., $103,746, Michigan City; South Bend Lathe Works, $1,615; and Studebaker-Packard Corp., $506,915, South Bend.

It is interesting to note also that from January 1954 until the beginning of this fiscal year, Indiana realized over $11 million in the foreign-aid program. I personally voted also to prevent any aid from going into the hands of Communist countries. I am pleased to see that President Kennedy has taken action against some satellites and so-called neutrals since Congress has adjourned.

FOREIGN TRADE

When we began our session last January, America faced a serious drain on gold reserves. It was a real danger to the value of our money. This has been reversed by various means. Congress itself took several effective steps to stop this dangerous trend.

We passed certain incentives for foreign banks so that they would not insist on payments in gold. We reduced exemptions on goods America can import. We created an Office of International Travel to encourage travel by foreigners in this country. This last is a move taken by the Commerce Committee, of which I am a member. One-third of our gold drain was because we had more of our people traveling abroad and spending our money than there were foreign visitors to this country spending their money.

One bill which gained too little attention was the oceanography measure, on which I worked in the Commerce Committee. The Russians were getting far ahead of us in charting the ocean floor. This is important to navigation, to defense and to commercial fishermen. The new law will help us catch up.

ANTIRECESSION MEASURES

Now that unemployment is falling and business is better, it is easy to forget the plight of the Nation's economy just a year ago. In the outgoing administration, there were jokes, but little action against this rising and dangerous tide.

Soon after we began this session, we took immediate steps to combat the recession. We passed a bill giving temporary extension of jobless benefits to more than 600,000 persons who had exhausted their benefits. We voted aid to dependent children whose jobless fathers were unable to support them. And we voted special loans and grants to communities which had high unemployment and few job opportunities over a period of many months and years.

Eleven of Indiana's 92 counties—containing about 400,000 Hoosiers—are eligible for help in getting over their own local recessions. These are Clark, Crawford, Henry, Harrison, Monroe, Ohio, Orange, Perry, Ripley, Switzerland, and Vanderburgh Counties.

GETTING MOVING AGAIN

To get the country moving forward again, this Congress worked in many fields.

The greatest impact is being felt in the improvement we made in the minimum wage. We increased coverage for the first time since 1938, bringing in about 150,000 Hoosiers not previously covered. And we provided for raising the minimum wage to $1.25 an hour in two steps, providing a new minimum for more than a million Hoosier workers.

Over the next few months, great impact also will be felt in the new Housing Act. It will give low-cost housing to 100,000 low-income families. It will allow hundreds of thousands of middle-income families to own their own homes. Thousands have already found that lower downpayments and extended periods of credit make it easier than ever to build or buy.

This year, the Housing Act has taken into consideration the commuting problems of big-city people and provides help for better public transportation. It also provides improved help to cities for community facilities such as sewers and other projects. This new law also has wisely provided for holding and developing future park and playground land as cities expand

In our State, 170,000 homes were financed through FHA-insured loans. More than 10,500 apartments were built with FHA-guaranteed mortgages and more than 800,000 FHA home improvement loans had been used. These all will be speeded up and expanded.

The public housing provisions, which will aid the low-income families, will help Indiana greatly because of the backlog of plans for such units throughout our State. There are 4,600 apartments in 28 low-rent projects in Indiana now. There are 205 more under construction and 1,250 in planning stages, indicating the demand and the need.

Such housing is now being constructed in Indiana in New Albany, South Bend, Mishawaka, Evansville, Michigan City, and Terre Haute. We are pleased to have assisted these communities in pushing their programs forward.

Connected with the housing program is urban renewal—slum clearance. This is an effective Federal-State-private enterprise program to rebuild blighted areas. A dozen Indiana communities are engaged in this work now, with 14 projects going. Eventually, these will cost $162 million, of which $125 million will be in private enterprise funds. Newest projects are in Anderson, Bloomington, Fort Wayne, Kingsford Heights, La Porte, Marion, Michigan City, and Mishawaka.

Eight Indiana communities have borrowed interest-free funds to build needed community facilities. Up to now, these loans have been concentrated in major cities. The new law concentrates on those cities under 50,000 that need such planning help before they can float bond issues and begin work. This year we have worked with Terre Haute and New Albany on such projects. In New Albany they are building a needed hospital and in Terre Haute a much-needed sewer.

The Housing Act also assists colleges and universities in building dormitories to meet their expanded needs. Thirty such projects have been OK'd for our State with Hoosier colleges and universities borrowing $40 million. In these days of necessary higher education, this contribution cannot be over emphasized. Five Indiana schools during the past year availed themselves of these low-interest loans: Ball State, Muncie; Indiana State, Terre Haute (twice); St. Francis, Fort Wayne; Oakland City, and Notre Dame. They borrowed more than $8 million.

Eleven projects are underway in Indiana to provide housing for the elderly under various Federal programs.

The importance of the work of Congress this year in the field of agriculture cannot be overemphasized. The problem inherited at the beginning of this year was peculiar; food prices were going up and the farmers' income was dropping to depression levels.

We passed an emergency feed grains program and a new farm program. Farm income is now up and rising. It is estimated that total farm income is up $1 billion a year over last year. Yet, surpluses are being cut so that the taxpayer will save $800 million a year in storage costs alone. Two billion dollars worth of surpluses were taken to feed the hungry here and in friendly oversea countries. Some surpluses were sold to make up for production from land that had been taken out of production with proceeds from these sales going to farmers to make up for the food they did not sell from the lands they did not plant. Meanwhile, the housewife is finding that food prices have not increased.

WATER RESOURCES

The long-term value of our water resources and the value in developing them and controlling them cannot be stressed too much. Business, industry, and human life depend upon safe and adequate supplies of water. Yet, millions of dollars worth of damage occurs every year because of uncontrolled water. On the one hand, we find our water supplies polluted or dwindling. On the other, we find life and property damaged because of uncontrolled water. A stream which in summer may be so dry as to constitute a water supply problem and create a health menace, may in spring constitute a direct threat to homes and business and lives and may wash away tons of valuable top soil because there is too much water.

For many years Indiana was left behind on water resource protection and development. We are, at last, beginning to get somewhere near our share. And we are beginning, at last, to solve the problems.

I am the author of the Wabash Basin Interagency bill, which has passed the Senate and is now pending action by the House. This would give us the tools we need for development and protection of the Wabash Valley, which is 70 percent of Indiana. Passage of this bill is one of the key water resource measures listed by the Senate leadership.

I am equally proud of our work in obtaining needed funds for water projects in Indiana, especially since several of them were added in the Senate. During the current bookkeeping year construction will go for-

ward on the following flood control projects: Monroe, Mississinewa, and Salamonie Reservoirs and Niblack, West Terre Haute, Evansville, and Unite No. 5 levees. The Huntington Reservoir will be brought to the stage where it is ready for building.

Planning of the Uniontown locks and dam on the Ohio will be completed this year and construction of the following navigation projects will go forward: Markland, McAlpine, and Cannelton Dams on the Ohio, and Indiana Harbor and Calumet Harbors on Lake Michigan. In addition, work continues on the Calumet Harbor breakwater.

The following studies are being financed through the Corps of Engineers for possible future projects: Gary Small Peat Harbor, Great Lakes Water Level, Kankakee River (including the Yellow River near Plymouth), Little Calumet, Maumee Basin, Ohio Basin, Wabash Basin (including Vermillion River, Wolf Creek, Sugar Creek, Big Pine Creek, and Wildcat Creek), Whitewater River Basin, Oil Creek, Pigeon Creek, and the White River Basin including Monroe Reservoir, Salt Creek, East Fork of the Muscatatuck River, Big Graham Creek, Big Camp Creek, Sand Creek, Clifty Creek, Flat Rock Creek, Blue River, Indian Creek, Deer Creek, Beanblossom Creek, Richland Creek, Guthrie Creek, and Walnut Creek.

Watershed projects, which were approved this year under our Agriculture Department program are the middle fork of the Anderson River and French Lick Creek.

Congress has also provided for research funds with which to seek a breakthrough in finding ways to convert sea water into fresh water.

We also provided a 5-year program for helping local communities solve pollution problems. When a stream or a lake is polluted, the damage extends to many other communities, perhaps in other States. Therefore, there has been great need for Federal direction and assistance.

The backlog of communities who want to participate to end pollution and insure pure water supplies is lengthy. Dozens are waiting in Indiana alone for assistance in this field. The new law will help them. The State will receive $112,900 a year for administration of the new program instead of $63,100 up to now. A community in Indiana which was formerly limited to $250,000 in Federal grant money can now get up to $600,000 and several communities can pool their efforts to qualify for up to $2,400,000. Construction grants are also increased and this year Indiana communities will share in $1,673,480 worth of grants.

Grants were made this year for sewage treatment plants to: Andrews, Fortville, Marion, Nappanee, Nashville, Waterloo, Yorktown, and Zionsville.

SENIOR CITIZENS AND THE HANDICAPPED

In addition to the housing assistance for the elderly, this Congress made substantial progress in the social security field in assisting the ill, the handicapped, and the aged.

I am particularly proud that my efforts to provide for optional retirement of men at age 62 bore fruit. This provision was adopted. In addition, the social security law benefits were increased for those drawing the minimum amounts. It is estimated that 136,000 people in Indiana will receive $23.7 million in additional benefits through these changes which we first ratified in Finance Committee.

Restrictions also have been eased for eligibility for benefits and the pension paid to aged widows was raised.

My amendment to allow retired persons to earn more in part-time employment was adopted. I am hopeful that my bills to assist the blind in gaining greater benefit also will be adopted early next session. The Senate also took action to aid schools for the handicapped. Among those which will benefit is the Indiana School for the Deaf.

EFFORTS FOR HOOSIER BUSINESS AND INDUSTRY

In March of this year, I sponsored the first Washington Conference of Business and Local Government. Mayors, county officials, chamber of commerce executives and businessmen throughout the State attended. This one-day meeting brought these Hoosiers, representing virtually every community in the State except rural centers, together with representatives of Federal Government agencies.

These agency representatives were on hand to assist in coordination of efforts for such projects as stream pollution control, airport construction and rebuilding of depressed areas. But they were also on hand to help in business and industry problems in such fields as Small Business Administration and aid in selling products to the Government and to foreign countries.

The conference was so successful other Senators began holding similar meetings.

We have worked very closely with representatives of individual businesses and industries in an effort to help them. Sometimes this meant assisting them in appointment with Defense officials; sometimes this meant work with Small Business Administration; sometimes with such agencies as General Services Administration, the Federal Government's purchasing and building agency.

The success of such Hoosier industries as Magnavox, International Harvester, Allison, Avco, Bendix, Studebaker and many smaller ones attests to our hard work. Through our efforts we have brought electronics, automotive, missile, truck, jet and other production dollars to our State. In the bookkeeping year just ended, Indiana received $353,202,000 worth of military contracts—1.6 percent of the total. This was better than previously, but not as much as our fair share. Recently awarded contracts, among them the Typhon missile system, sonobuoy work, radios and vehicle production should raise this during the current bookkeeping year.

Because of my position with the Finance Committee, I am often called upon to work with business and industry on taxation problems. In this session of Congress, my amendment on taxation of the clay products industry was adopted. The clay industry people have stated that my amendment has saved many Hoosier businesses in this field from bankruptcy.

My efforts have been equally diligent on behalf of the coal industry and the oil producers. In this connection, I have met with the Secretary of the Interior in connection with control of imports of residual oil which competes with domestic oil and coal production. I strongly supported a resolution directing a national fuel policy study, now being undertaken that should aid Indiana.

Some three dozen outstanding professors at Indiana colleges and universities have agreed to work with me as a sort of advisory group. After this group was organized, we had a highly successful meeting in Indianapolis with representatives of nearly all Indiana institutions of higher learning. The professors work with us in analyzing legislation and problems and in suggesting remedies.

Our office maintains close working arrangements with various groups representing all segments of Hoosier economy.

VETERANS

As a member of the Finance Committee, I have worked hard for better legislation for veterans. We had moderate success with GI bill for cold war veterans. Congress did pass extensions of home loan guarantees and direct loan programs for veterans of World War II and the Korean conflict. These programs are brought in line with present-day costs and with the new and better FHA housing program. The direct loans, for instance, now may go as high as $15,000.

As an indication of the desirability of these programs, Indiana veterans have used 108,450 guaranteed loans and 6,396 direct loans since the beginning of the VA programs. Total value of these loans is $815,866,531.

Further, I have introduced legislation (S. 468) which would provide veterans of World War I a $100 monthly pension. This bill is pending before the Finance Committee, and I shall work toward this goal.

TRANSPORTATION

Congress this year made several important strides in the transportation field. Financing of the Interstate Highway System was revised and the whole building program revamped. I only regret that I was unable to have my own amendment adopted that would have resulted in earlier completion of the System without disturbing the solvency of the program.

The 1961 act allots funds for interstate construction from 1963 through 1966. Indiana will receive $59,273,700 for this kind of highways in 1963. Additional funds will be available from later allocations.

During the fiscal year just ended Indiana received $51,798,132 in Interstate Highway System funds. In addition, more than $31 million was assigned for other Federal-State highway programs.

We on the Commerce Committee were shocked to learn that hijacking of airplanes was not a Federal offense. Since it is difficult to decide exactly in what State a crime of this kind occurs on a fast jet and since piracy is a crime which Congress can punish, we worked out a series of laws covering this kind of offense. It seems to have had the desired effect in that hijacking has stopped.

This year we also authorized a 5-year program for construction and modernization of airports. The new program will mean additional funds for Indiana communities which will be matched locally for safer and better airports.

In the fiscal year just ended, Indiana cities received $2,301,220 in Federal funds for airport construction. Cities which shared in these funds are: Bloomington, Elkhart, Evansville, Fort Wayne, Goshen, Indianapolis, Marion, Muncie, South Bend, and Valparaiso.

HEALTH PROGRAMS

Congress this year provided $50 million for each of the next 5 years for Federal-State programs to help care for the chronically ill and aged. We also provided $10 million a year for grants to colleges and universities to improve health services and care for these people.

The Hill-Burton Act through which many communities are able to begin hospital construction or expansion was extended. This has been an important law for our Indiana cities. During the past year, for instance, the following hospital construction was helped in our State: Auburn, DeKalb Memorial Hospital; Oaklawn Psychiatric Rehabilitation Center, Elkhart; Good Samaritan Home, Evansville; Parl View Memorial Hospital, Fort Wayne; McCray Memorial Hospital, Kendallville; White County Memorial Hospital, Monticello; Memorial Hospital and Nursing Home, New Albany; Henry County Hospital, New Castle; Porter Memorial Hospital, Valparaiso; and Pulaski Memorial Hospital, Winamac.

Many of these grants were arranged through our office.

OTHER HOOSIER CONSTRUCTION

During the year just ended, military construction in the State of Indiana totaled $2,848,000 other than for public works projects such as flood control and navigation. During the current year, Indiana has been allocated $2,310,000 for similar construction.

In the money year just closed, Bunker Hill Air Force Base received $1,777,000 for con-

struction. The National Guard built armories at Jasper, Richmond and Scottsburg; the Army Reserve built training centers at Lafayette and Rushville, and the Air Force Reserve built new facilities at Bakalar Air Force Base, Columbus.

In the current year, Bunker Hill will have $411,000 worth of new work done. Armories are to be built for the National Guard at Bedford, Monticello and North Vernon. Terre Haute is to receive money for work on an Army Reserve Center and large sums are to be spent on Baer Field, Fort Wayne, and Hulman Field, Terre Haute, for the Air National Guard.

Jefferson Proving Ground, Madison, and Indiana Arsenal, Charlestown, are being reactivated for the present emergency and work at Crane Naval Ammunition Depot is being stepped up.

Post office construction work also has come to our State.

New post offices have been built or are being built this year for the following: Bruceville, Pittsboro, Poseyville, Selma, Shipshewana, North Terre Haute, Waveland, Fulton, Millersburg, Centerpoint, Lucerne, Paragon, Rockport, Russellville, Anderson, Jonesboro, Otterbein, Zionsville, Griffith, Jasonville, Kimmell, Richville, Clarke Hill, Hanna, Harlan, Burlington, Harmony, Hillsboro, Stockwell, Miller (Gary), Lynnville, Stilesville, Dublin, Losantsville, Lynn, Madison, Oakland City, and Williamsport. Major remodeling has been done at the Irving Station of Indianapolis.

The Senate also has confirmed new postmasters for Boonville, Carthage, Edinburg, Fowler, Gosport, Lanesville, Loogootee, Marshall, Spencer, Springport, Tangier, Tippecanoe, Union City, Universal, Wabash, and Williamsport.

The most notable success was at Portage, the new town in Porter County. Originally, it was decided not to create a separate post office to serve this community which includes the proposed new port and which includes the new Midwest Steel mill. We were able to have a post office designated for this community and I was present for the dedication of the new building in September.

EDUCATION

One of the important controversies in the 87th Congress has been how much Federal aid there should be for education. The issue of whether there should be any Federal aid was decided long ago when loans were authorized for institutions of higher learning and when direct aid for communities with large number of children of Federal workers was voted.

There followed the National Defense Education Act which set up new programs to aid needy and worthy college students. This act was passed after the Russians launched their first space vehicle, and it became apparent that the United States was behind in science and technology.

In addition, the principle of aid to schools and schoolchildren through the hot lunch program is well established.

Because of the large number of public schools in Indiana which share in the aid for areas with substantial enrollments of children of Federal workers—the so-called impacted areas—I polled trustees and school superintendents in these areas. I asked them to state whether they needed such aid and whether such aid has resulted in any Federal domination whatever. These trustees and superintendents unanimously reported a need and no Federal interference whatever.

Here is a list of Indiana school corporations which received impacted area aid in the bookkeeping year just ended:

O-Madison Townships, Odon; Holt Township, St. Bernice; Perry Township, Loogootee; City of Loogootee; City of Clinton; Shoals Community Schools; Charlestown Metropolitan School District; Rockville Consolidated Schools; Clinton School Township, Clinton; School Town of Edinburg; Vermillion Township, Newport; Washington Township, LaPorte; Highland Township, Perrysville; Rutherford Township, Shoals; City of Franklin; Silver Creek Township, Sellersburg; Elnora Township, Elnora; Monroe Township, Henryville; Reeve Township, Cannelburg; Jeffersonville Township, Jeffersonville; Van Buren Township, Odon, Utica Township, Jeffersonville, Lawrence Township Metropolitan District, Indianapolis; City of Jeffersonville; Washington Township, Nabb; Barr Township, Montgomery; Blue River-Jackson-Spencer Townships, Gorydon; Jennings Township, English; Town of Clarksville; Madison Consolidated, Madison; Pipe Creek Township, Peru; Peru Township, Peru, Washington Township, Peru; Steels Township, Plainville; Washington Township, Washington; Jasonville; Town of Vevay; Worthington-Jefferson Consolidated, Worthington; City of Peru; Jackson Township, Logansport; Mooresville Consolidated, Mooresville; Tipton Township, Logansport; Lincoln Township, Danville; Linton-Stockton Schools, Linton, Washington Township, Danville, South Central Corporation, Corydon; Butler Township, Peru, Deer Creek Township, Peru, Bean Blossom Township, Stinesville; City of Bedford; Indian Creek Township, Bedford; Marion Township, Mitchell; Marshall Township, Avoca; Perry Township, Springville; Shanswick Township, Bedford; Van Buren Township, Bloomington, Washington Township, Bloomington; Eminence Consolidated, Monrovia; Martinsville Metropolitan; Monroe Township, Monrovia; Warren Township Metropolitan, Indianapolis, Decatur Township; Indianapolis; Vigo Township, Bicknell; Franklin Township, Roachdale; Washington Township, Greencastle; Clay Township Metropolitan, Carmel; York Township, Vevay.

City of Greenfield, Delaware Township, Fishers; Patriot-Posey District, Patriot; Central School District, Switz City; Washington-Stafford Consolidated, Lyons; Rising Sun-Ohio County Consolidated, Rising Sun; White River Township, Greenwood; Franklin Township, Marion; Center Township, Marion; Monroe Township, Marion; Jefferson Township, Upland; Eastern District, Owensburg; Pleasant Township, Whiteland; Mississinewa Joint Schools, Gas City; Jefferson-Craig Consolidated, Vevay; Sims Township, Swaysee, Van Buren Township, Van Buren; City of Greenwood; Fairmount Township, Fairmount; town of Fairmount; city of Marion; Central District, Maxwell; Vernon Township, Fortville; Taylor Township, Kokomo; Bloomfield District, Bloomfield; Hobart Township, Hobart; Eugene Township, Gayuga; Owen Township, Charlestown; Spice Valley Township, Huren; Southwestern Jefferson County, Hanover; Sunman Consolidated, Sunman; City of Aurora; Milan Consolidated, Milan; Kelso Township, Lawrenceburg; Metamora Township, Metamora; Manchester Township, Lawrenceburg; Moores Hill District, Lawrenceburg; Miller-Logan-Harrison District, Lawrenceburg; Miller-York District, Lawrenceburg, Linton Township, Terre Haute, Dillsboro School-Clay Township, Lawrenceburg.

OTHER LEGISLATION

In the session just ended, I was successful in passage of legislation which has given Indiana two new Federal judgeships. These will be of tremendous value in cutting down a huge backlog of cases pending. Justice has been denied in the Federal courts because of long delays due to overcrowded dockets.

We have legislation pending on many other matters, most of them of direct interest to Hoosiers. I look forward, for instance, to favorable action on a bill which should lead to the freeing of the New Harmony Bridge from tolls since more than enough money has been collected to pay for the construction and maintenance. I look forward also to action on several bills creating national parks in our State.

The best known of the park proposals is the one in the dunes area. Senator PAUL DOUGLAS, of Illinois, some time ago offered a bill to create a huge Dunes National Monument. At first Senator DOUGLAS proposed to bar building of a deep water port that would accommodate seagoing vessels and would also bar the building of steel mills by Midwest and Bethlehem. Midwest has since built. Senator DOUGLAS then offered a bill to allow the port to be built, but to ban Bethlehem. He has offered still another bill, now pending, which would prevent the port and the other steel mill from being built, setting up a large national monument covering much of Indiana's Lake Michigan shoreline.

My position has consistently been that industry and recreation can be brought together on the shoreline and that dunes of historical value can be preserved. I have a bill pending which would divide this duneland, in effect, into two areas. The western part, adjoining Lake County, would be used for industrial and port development. The eastern part, adjoining LaPorte County, would be used for the national monument. Interior Secretary Udall has indicated sympathy with my approach which provides for conservation, recreation and industry.

I am working hard also for establishment of a Lincoln Boyhood National Memorial in Spencer County, a Lincoln Parkway connecting the birthplace of President Lincoln in Kentucky with his boyhood home in Indiana and his adult home in Illinois and for a historical park at the site of Angel Mounds in Vanderburgh County. My bill for the Lincoln boyhood park has passed the Senate and we expect to clear remaining legislative hurdles early next year.

I intend to press my efforts to develop tourist trade for Indiana in this fashion. I also expect to press for canalization of the Wabash and for adequate flood control for our State.

In the field of national legislation, I am the author of a bill which would straighten out the allocation of radio and television channels. I am continuing to pursue my efforts for more freedom of information through less restrictive news coverage by radio and television.

OTHER SERVICES

My office in Washington is a Hoosier headquarters. We receive an average of 275 phone calls a day, most of them from Indiana. We have had nearly 6,000 visitors during the past year, most of them from home. This past spring, 95 Indiana high schools had students on Washington trips who called on us.

From January 1, 1961, to September 30, 1961, we received 45,938 letters and mailed out 50,678 letters. Most of this mail concerns legislation and problems arising from legislation. But we perform a variety of services for Hoosiers. For instance, we had about 300 inquiries from people from Indiana who work for the Federal Government and want assistance with something pertaining to their jobs.

The defense buildup has resulted in a great number of service and veteran problems. Since January 1, we have handled 709 of these problems, with the number growing daily. We assisted 261 Hoosiers with social security problems, 27 with draft board problems, 18 with railroad retirements, and 711 persons who sought patronage employment.

I have helped also with 61 immigration cases who could be helped within the framework of present laws. Fifteen private immigration bills were introduced to assist those people who were worthy and who could not be helped through existing legislation. Many of these have united families who had been apart for years through circumstances beyond their control. One example is that of Krste Angeloff, of Yugoslavia. He is the

adopted son of Mrs. Miles Angeloff, of Gary. He had been waiting 10 years to come to this country. During this time, Mr. Angeloff died and this further complicated the case. Krste was reunited with his family this year through our work. A similar bill united Mice Delich with his grandfather, Eli Belich in Terre Haute.

CONCLUSION

It is my sincere conviction that I am in Washington to serve. There are many ways for serving my State and my country. I feel we fight communism and work for the inevitable triumph of freedom by making America a better place in which to live and by helping other freedom-loving people. I feel that a strong and prosperous America which can be an example to the world is our strongest bulwark against enslavement.

The people who have sent me to Washington have asked me, in effect, to work hard, to study and to deliberate on the great issues of the day, to vote with sincerity and devotion and dedication to ideals, to assist my constituents, to consider the best interests of the State and Nation and to see that Hoosiers receive their fair share of bounty and assistance in solving their problems. I believe I am doing this. I welcome comments and suggestions from constituents.

Interim Report of the Committee on Government Operations, House of Representatives, for the 1st Session, 87th Congress

EXTENSION OF REMARKS
OF
HON. JOHN S. MONAGAN
OF CONNECTICUT
IN THE HOUSE OF REPRESENTATIVES
Wednesday, September 27, 1961

Mr. MONAGAN. Mr. Speaker, I am pleased to present the following interim report on the activities of the Committee on Government Operations in the first 9 months of the 87th Congress:

INTERIM REPORT OF THE COMMITTEE ON GOVERNMENT OPERATIONS, HOUSE OF REPRESENTATIVES, FOR THE 1ST SESSION, 87TH CONGRESS

JURISDICTION

The jurisdiction and duties of the Committee on Government Operations are set forth in rule XI(8) of the House of Representatives.

Under this rule, all proposed legislation, messages, petitions, memorials, and other matters relating to (a) budget and accounting measures, other than appropriations, and (b) reorganizations in the executive branch of the Government shall be referred to the Committee on Government Operations.

The rule also assigns to the Committee on Government Operations the duty of (1) receiving and examining reports of the Comptroller General of the United States and of submitting such recommendations to the House as it deems necessary or desirable in connection with the subject matter of such reports; (2) studying the operation of Government activities at all levels with a view to determining its economy and efficiency; (3) evaluating the effects of laws enacted to reorganize the legislative and executive branches of the Government; (4) studying intergovernmental relationships between the United States and the States and municipalities and between the United States and international organizations of which the United States is a member.

ORGANIZATION

In order to perform its functions and to carry out its duties as fully and as effectively as possible, the committee, under the leadership of its chairman, the Honorable WILLIAM L. DAWSON, of Illinois, at the beginning of the 87th Congress, established five regular subcommittees, which cover the entire field of executive expenditures and operations. The names and chairmen of these subcommittees are as follows:

Executive and Legislative Reorganization Subcommittee, Hon. WILLIAM L. DAWSON, chairman.

Military Operations Subcommittee, Hon. CHET HOLIFIELD, chairman.

Government Activities Subcommittee, Hon. JACK BROOKS, chairman.

Intergovernmental Relations Subcommittee, Hon. L. H. FOUNTAIN, chairman.

Foreign Operations and Monetary Affairs Subcommittee, Hon. PORTER HARDY, Jr., chairman.

In addition, four special subcommittees were organized to handle special problems:

Special Donable Property Subcommittee, Hon. JOHN W. MCCORMACK, chairman.

Special Government Information Subcommittee, Hon. JOHN E. MOSS, chairman.

Special Subcommittee on Assigned Power and Land Problems, Hon. JOHN E. MOSS, chairman.

Special Subcommittee on the Federal Home Loan Bank Board, Hon. JOHN E. MOSS, chairman.

INVESTIGATIVE REPORTS

During the 1st session of the 87th Congress, the Committee on Government Operations approved and submitted to the Congress 11 reports of an investigative nature. At the close of the first session, a number of reports were in preparation and a number of investigations were underway. These will be considered by the subcommittees and the full committee early in the second session. Several hearings have been planned for the recess period between sessions.

For convenience, the published reports are listed here with the name of the originating subcommittee. A more detailed discussion of the material will be found below in the breakdown of the committee's activities by subcommittee:

First report (H. Rept. No. 184): "Activities Report of the House Committee on Government Operations, 86th Congress, 1st and 2d sessions, 1959–60." (Full committee, Hon. WILLIAM L. DAWSON, chairman).

Second report (H. Rept. No. 321): "Health Research and Training, the Administration of Grants and Awards by the National Institutes of Health" (Intergovernmental Relations Subcommittee, Hon. L. H. FOUNTAIN, chairman). (Additional views filed.)

Third report (H. Rept. No. 324): "Air Force Ballistic Missile Management (Formation of Aerospace Corporation)." (Military Operations Subcommittee, Hon. CHET HOLIFIELD, chairman.) (Additional views filed.)

Fourth report (H. Rept. No. 795): "U.S. Aid Operations in Peru." (Foreign Operations and Monetary Affairs Subcommittee, Hon. PORTER HARDY, Jr., chairman.)

Fifth report (H. Rept. No. 818): "Availability of Information From Federal Departments and Agencies (Progress of Study, July–December 1960)." (Special Government Information Subcommittee, Hon. JOHN E. Moss, chairman.) (Additional views filed.)

Sixth report (H. Rept. No. 1214): "Defensive Materiel Utilization Program." (Military Operations Subcommittee, Hon. CHET HOLIFIELD, chairman.)

Seventh report (H. Rept. No. 1215): "Availability of Information From Federal Departments and Agencies (Telephone Monitoring)." (Special Government Information Subcommittee, Hon. JOHN E. Moss, chairman.)

Eighth report (H. Rept. No. 1241): "Consumer Protection Activities of Federal Departments and Agencies." (Intergovernmental Relations Subcommittee, Hon. L. H. FOUNTAIN, chairman.)

Ninth report (H. Rept. No. 1249: "New Civil Defense Program." (Military Operations Subcommittee, Hon. CHET HOLIFIELD, chairman.)

Tenth report (H. Rept. No. 1250): "Cambodian Port Highway: A Supplemental Report." (Foreign Operations and Monetary Affairs Subcommittee, Hon. PORTER HARDY, JR., chairman.) (Additional views filed.)

Eleventh report (H. Rept. No. 1257): "Availability of Information From Federal Departments and Agencies (Progress of Study, January–August 1961)." (Special Government Information Subcommittee, Hon. JOHN E. Moss, chairman.) (Additional views filed.)

COMMITTEE PRINT

"Governmental Structure, Organization, and Planning in Metropolitan Areas (Suggested Action by Local, State, and National Governments)." A report by the Advisory Commission on Intergovernmental Relations.

LEGISLATION

The legislative jurisdiction of the Committee on Government Operations covers a wide range of important governmental operations. It includes all matters relating to budgeting and accounting measures other than appropriations and all matters relating to reorganizations in the executive branch of the Government. Moreover, by precedent, property disposals and other matters involving the Federal Property and Administrative Services Act are referred to the committee.

During the 1st session of the 87th Congress, the committee studied 176 bills and resolutions referred to it and reported 17 to the House. These are discussed more fully under the subcommittee breakdown below. However, those reported are listed here for convenience, with the name of the subcommittee which initially considered them:

H.R. 3279, to increase the maximum rates of per diem allowance for employees of the Government traveling on official business, and for other purposes. (Executive and Legislative Reorganization Subcommittee.) (H. Rept. No. 341; Public Law 87–139.)

H.R. 5742 (S. 153), to further amend the Reorganization Act of 1949, as amended, so that such act will apply to reorganization plans transmitted to the Congress at any time before June 1, 1963. (Executive and Legislative Reorganization Subcommittee.) (H. Rept. No. 195; Public Law 87–18.)

H.R. 6094, to amend section 4 of the Employment Act of 1946. (Executive and Legislative Reorganization Subcommittee.) (H. Rept. No. 325; Public Law 87–49.)

H.R. 8099, to amend section 109 of the Federal Property and Administrative Services Act of 1949, as amended, so as to remove the limitation on the maximum capital of the General Supply Fund. (Government Activities Subcommittee.) (H. Rept. No. 1217; Public Law 87–372.)

H.R. 8100, to amend section 109 of the Federal Property and Administrative Services Act of 1949, as amended, relative to the General Supply Fund. (Government Activities Subcommittee.) (H. Rept. No. 1218.)

H.R. 8429, to establish a Department of Urban Affairs and Housing, and for other purposes. (Executive and Legislative Reorganization Subcommittee.) (H. Rept. No. 1053.)

H.R. 8603, to amend the Federal Property and Administrative Services Act of 1949 to provide for public information and publicity concerning instances where competitors submit identical bids to public agencies for the sale or purchase of supplies, equipment, or services, and for other purposes. (Execu-

tive and Legislative Reorganization Subcommittee.) (H. Rept. No. 989.)

H.R. 8798, to amend section 7 of the Administrative Expenses Act of 1946, as amended. (Executive and Legislative Reorganization Subcommittee.) (H. Rept. No. 1216.)

H. Res. 302, disapproving Reorganization Plan No. 1 of 1961 transmitted to Congress by the President on April 27, 1961. (Executive and Legislative Reorganization Subcommittee.) (H. Rept. No. 509.)

H. Res. 303, disapproving Reorganization Plan No. 2 of 1961 transmitted to Congress by the President on April 27, 1961. (Executive and Legislative Reoragnization Subcommittee.) (H. Rept. No. 446.)

H. Res. 304, disapproving Reorganization Plan No. 3 of 1961 transmitted to Congress by the President on May 3, 1961. (Executive and Legislative Reorganization Subcommittee.) (H. Rept. No. 510.)

H. Res. 305, disapproving Reorganization Plan No. 4 of 1961 transmitted to Congress by the President on May 9, 1961. (Executive and Legislative Reorganization Subcommittee.) (H. Rept. No. 511.)

H. Res. 328, disapproving Reorganization Plan No. 5 of 1961 transmitted to Congress by the President on May 24, 1961. (Executive and Legislative Reorganization Subcommittee.) (H. Rept. No. 576.)

S. 537 (H.R. 5294), to amend the Surplus Property Act of 1944 to revise a restriction on the conveyance of surplus land for historic monmument purposes. (Government Activities Subcommittee.) (H. Rept. No. 558; Public Law 87-90.)

S. 539 (H.R. 3259), to make nationals, American and foreign, eligible for certain scholarships under the Surplus Property Act of 1944, as amended. (Government Activities Subcommittee.) (H. Rept. No. 559; Public Law 87-153.)

S. 540 (H.R. 3260), to authorize agencies of the Government of the United States to pay in advance for required publications, and for other purposes. (Government Activities Subcommittee.) (H. Rept. No. 560; Public Law 87-91.)

S. 796 (H.R. 5096), to amend the Federal Property and Administrative Services Act of 1949, as amended, so as to authorize the use of surplus personal property by State distribution agencies, and for other purposes. (Special Donable Property Subcommittee.) (H. Rept. No. 561; Public Law 87-94.)

REORGANIZATION PLANS

Seven reorganization plans were transmitted to the 87th Congress by the President during the 1st session. In the case of each plan, disapproval resolutions (which would reject the plan and thus preclude its going into effect automatically after 60 days from transmittal) were introduced and referred to the Committee on Government Operations.

Reorganization Plan No. 1 of 1961 (Securities and Exchange Commission). Hearings were held on disapproval resolutions House Resolution 285 and House Resolution 302. House Resolution 302 was disapproved by the committee and reported unfavorably to the House, which likewise disapproved the resolution. However, the plan was rejected by the Senate.

Reorganization Plan No. 2 of 1961 (Federal Communications Commission). Hearings were held on disapproval resolutions House Resolution 286 and House Resolution 303. House Resolution 303 was approved by the committee and reported favorably to the House. The House approved the resolution, thus rejecting the plan.

Reorganization Plan No. 3 of 1961 (Civil Aeronautics Board). Hearings were held on disapproval resolutions House Resolution 287 and House Resolution 304. The committee disapproved House Resolution 304 and reported it unfavorably to the House, which likewise disapproved the resolution. Not having been rejected by the Senate, the plan went into effect July 3, 1961.

Reorganization Plan No. 4 of 1961 (Federal Trade Commission). Hearings were held on disapproval resolutions House Resolution 288 and House Resolution 305. The committee disapproved House Resolution 305 and reported it unfavorably to the House, which likewise disapproved the resolution. Not having been rejected by the Senate, the plan went into effect July 9, 1961.

Reorganization Plan No. 5 of 1961 (National Labor Relations Board). Hearings were held on disapproval resolutions House Resolution 322 and House Resolution 328. The committee disapproved House Resolution 328 and reported it unfavorably to the House. The House approved House Resolution 328 and thereby rejected the plan.

Reorganization Plan No. 6 of 1961 (Federal Home Loan Bank Board). Hearings were held on disapproval resolutions House Resolution 335 and House Resolution 337. The committee voted to lay on the table House Resolution 335, which was an action favorable to the plan. A motion to discharge the committee from consideration of the resolution was defeated in the House. Since the Senate took no action to reject the plan, it went into effect on August 12, 1961.

Reorganization Plan No. 7 of 1961 (providing for reorganization of maritime functions). Hearings were held on disapproval resolutions House Resolution 336 and House Resolution 338. The committee voted to lay on the table House Resolution 336, which was an action favorable to the plan. The House defeated a motion to discharge the committee from consideration of House Resolution 36. Since the Senate took no action to reject the plan, it went into effect on August 12, 1961.

COMMITTEE ACTION ON REPORTS OF THE COMPTROLLER GENERAL

Rule XI, clause 8(c)(1) of the rules of the House, imposes the duty upon this committee to receive and examine reports of the Comptroller General referred to it and to make such recommendations to the House as it deems necessary or desirable in connection with the subject matter of the reports.

In discharging this responsibility all reports of the Comptroller General received by the committee are studied and analyzed by the staff and referred to the subcommittee of this committee to which has been assigned general jurisdiction over the subject matter involved.

The committee has received a total of 128 General Accounting Office audit reports for processing during the 1st session, 87th Congress, inclusive of 15 reports received between the adjournment of the 86th Congress and the convening of the 87th Congress. After preliminary staff study, these reports were referred to subcommittees of this committee, as follows:

Executive and Legislative Reorganization Subcommittee	11
Military Operations Subcommittee	52
Government Activities Subcommittee	32
Intergovernmental Relations Subcommittee	18
Foreign Operations and Monetary Affairs Subcommittee	15
Total	128

Periodic reports are received from the subcommittees on the action taken with respect to individual reports, and monthly reports are made to the chairman on the status of all reports received. During the session, the subcommittees used the reports to further specific investigations and reviews. In some cases, additional information concerning the findings and recommendations of the Comptroller General was requested and received from the administrative agency involved, as well as from the General Accounting Office. In another section of the committee's annual report dealing with the activities of the various subcommittees, more specific information on the action taken on these reports is included.

The committee maintains complete files of all the Comptroller General's reports received. A record is kept showing the subcommittee to which referred, the date of referral, and the action taken. All the reports received during the session will be reviewed by the committee in the light of additional information obtained and action taken by the subcommittees, and determination will be made whether specific recommendations to the House are necessary or desirable under rule XI.

SUBCOMMITTEE BREAKDOWN

A detailed description of the committee's activities, broken down by subcommittee, is given below. At the chairman's request, the subcommittee reports were prepared in accordance with the following outline:

OUTLINE FOR ANNUAL SUBCOMMITTEE REPORTS

I. Investigations:

(a) List investigative reports issued with name of report, date issued and a summary of each.

(b) List and describe other investigations not resulting in a formal report.

(c) Give money savings or recoveries as a result of any investigations, together with the estimated dollar amount of each.

(d) List and describe any other remedial measures taken and any nonmonetary benefits attained as a result of investigations.

(e) The number of days hearings were held.

II. Legislation:

(a) Total number of measures referred to the subcommittee.

(b) Reports issued with title, date and summary of each, and description of subsequent legislative action on reported measures.

(c) Number of days of hearings held.

III. Reports received such as notice of negotiated sales, General Accounting Office audit reports, and similar matters considered which are not legislation:

(a) Number of each received.

(b) Wherever action has been taken, name the report acted on, hearings held, if any; describe the action taken and the resulting monetary and nonmonetary benefits.

IV. Prior activities of the subcommittee of current or continuing interest:

(a) The cumulative money savings or recoveries from such prior activities, naming them.

(b) Other action, executive or otherwise, taken on such prior activities resulting in some affirmative benefit.

V. Projected program for the remainder of the 87th Congress.

EXECUTIVE AND LEGISLATIVE REORGANIZATION SUBCOMMITTEE

(Hon. WILLIAM L. DAWSON, chairman)

I. INVESTIGATIONS

(a) Reports issued: None.

(b) Investigations not resulting in a formal report:

1. A continuing study of budget and accounting procedures in the Federal Government with special attention to the joint accounting program of the Bureau of the Budget, the Department of the Treasury, and the General Accounting Office.

2. A study of administrative organization, procedures, and practices in the Federal Government. This involves, inter alia, continued analysis of replies to the detailed questionnaire submitted to the agencies by this subcommittee during an earlier Congress. The replies, made into a committee print, have been in great demand by legal scholars and other interested persons.

3. A study of the utilization of advisory committees, experts, and consultants in the executive branch. Congressman DANTE B. FASCELL, representing the subcommittee, conferred with White House officials follow-

ing dispatch of a letter to the President from Chairman DAWSON urging the adoption of standards and procedures contained in a bill in the past Congress reported by the committee and passed by the House but on which no action was taken by the Senate.

4. A study of new regulations issued by the Corps of Engineers following issuance by the committee of a report (H. Rept. No. 1637, 86th Cong.) on an investigation of expenditures for housing construction at the Granite City Engineer Depot in Illinois.

5. A study of the management operations of the Bureau of the Budget based on a critical report of the General Accounting Office.

6. Federal real and personal property inventory report (civilian and military) of the U.S. Government, covering its properties located in the United States, in the territories, and overseas, as of June 30, 1961. This annual inventory undertaking will represent a compilation of assigned values of real and personal property owned or controlled by the Federal Government which is located throughout the world. The report lists estimated present-day evaluations of public domain, Capitol Hill properties, as well as realty previously recorded on the books of the Government at zero value. Zero value properties are those which have been donated to, or obtained by, the Government at no cost.

This inventory report will represent the seventh endeavor by the Committee on Government Operations to record, in a comprehensive and concise manner, assets of the Government. Data for inclusion in the current report are being received and analyzed. The property inventory report is expected to be issued in January 1962 as a committee print.

During August 1961, the committee was advised that the Department of the Interior would serve as a pilot agency to reevaluate its realty holdings so as to show acquisition cost value as well as estimated present-day values. Efforts are being made within the Department, with assistance from other Government departments, to formulate criteria which can be utilized by the Interior Department, and eventually by other departments, in this endeavor. Criteria will be proposed by the Department, after which they will be reviewed by an advisory committee of the American Institute of Real Estate Appraisers. Final approval of reevaluation formulas will rest with the Committee on Government Operations.

(c) Monetary savings or recoveries as a result of investigation: No estimate possible at this time.

(d) Other remedial measures taken and nonmonetary benefits: Included in (b) above.

(e) Days of hearings held: None.

II. LEGISLATION

(a) Number of measures referred to the subcommittee: 81 legislative measures were referred to the subcommittee during the 1st session of the 87th Congress.

(b) Reports issued:

1. House Report No. 195 (H.R. 5742) further amending the Reorganization Act of 1949, as amended, so that such act will apply to reorganization plans transmitted to the Congress at any time before June 1, 1963 (Mar. 23, 1961):

This bill, as reported, would revise the Reorganization Act of 1949, as amended, which had lapsed because the 86th Congress had failed to extend its terminal date. Under the bill, a reorganization plan transmitted to the Congress by the President would become effective within the allotted time unless a simple majority of either House votes to disapprove it.

The bill was reported to the full committee and subsequently to the House and was passed. S. 153, a similar measure, was then passed in lieu thereof and became Public Law 87-18 on April 7, 1961.

2. House Report No. 325 (H.R. 6094) amending section 4 of the Employment Act of 1946 (May 1, 1961):

This bill, as reported, was recommended to the Congress by the President and was designed to increase the ceiling on appropriations for salaries which may be granted the Council of Economic Advisers from its present figure to $2 million.

After hearings, the bill was approved by the subcommittee and the full committee, and was subsequently passed by the House. In the Senate the bill was amended to remove the appropriations ceiling, thereby placing no limit on the amount of funds Congress could appropriate to the agency. The House accepted the Senate amendments and the bill became Public Law 87-49 on June 16, 1961.

3. House Report No. 341 (H.R. 3279), travel expenses of Government employees (May 3, 1961):

This bill had as its purpose to amend existing travel expense legislation to increase the maximum per diem rates and mileage allowances for the use of privately owned vehicles for certain civilian employees of the Government, among other purposes. The maximum per diem rates were raised from $12 to $16 per day and the mileage allowance for autos from 10 to 12 cents per mile. Among other things, the bill authorized the payment to employees of parking fees; transferred to the President authority now vested in the Bureau of the Budget to establish per diem rates outside the continental United States; and increased the maximum allowance for official travelers authorized to be paid on an actual expense basis.

After hearings, the bill was approved by the subcommittee and the full committee, and was passed by the House. In the Senate it was amended to include certain judicial employees and Senate Members and employees under its provisions. The amendments were accepted by the House and the bill became Public Law 87-139 on August 14, 1961.

4. House Report No. 446 (H. Res. 303), disapproving Reorganization Plan No. 2 of 1961 (Federal Communications Commission) (June 1, 1961):

This resolution represented the sense of the committee that Reorganization Plan No. 2 of 1961 relating to the Federal Communications Commission should not be approved. The plan, among other things, would have authorized the Commission to delegate any of its functions to a division of the Commission, an individual Commissioner or employees of the Commission, and would have abolished the Commission's mandatory review in cases of adjudication. It also would have transferred to the Chairman the Commission's functions with respect to assignment of Commissioners and commission personnel to perform the delegated functions.

Hearings were held on the plan and resolution by the subcommittee, and background materials and the committee report were prepared in cooperation with the staff of the full committee. The resolution was approved by the House on June 15, 1961, which had the effect of rejecting the plan and preventing it from becoming effective.

5. House Report No. 509 (H. Res. 302) approving Reorganization Plan No. 1 of 1961 (Securities and Exchange Commission) (June 12, 1961):

House Resolution 302 proposed that Reorganization Plan No. 1 of 1961 relating to the Securities and Exchange Commission be disapproved. The plan would have authorized the Commission to delegate any of its functions to a division of the Commission, an individual Commissioner, or to employees of the Commission, and would have given the Chairman of the Commission the authority to designate the individual Commissioners or employees who were to perform the delegated functions.

After hearings, the subcommittee referred the Resolution to the full committee with a recommendation that it not be approved. The full committee supported this view and made the same recommendation to the House. The committee report and background materials were prepared in cooperation with the staff of the full committee. The House sustained the position of the committee and rejected the Resolution, thereby approving the plan. Subsequently, however, the Senate, on June 21, voted to disapprove the plan, and it therefore failed to become law.

6. House Report No. 510 (H. Res. 304) approving Reorganization Plan No. 3 of 1961 (Civil Aeronautics Board) (June 12, 1961):

House Resolution 304 proposed that Reorganization Plan No. 3 of 1961 relating to the Civil Aeronautics Board be disapproved. The plan authorizes the Board to delegate any of its functions to a division of the Board, an individual Board member, or to employees of the Board, and gives the Chairman of the Board the authority to designate the individual Board members or employees to perform the delegated functions.

After hearings, the subcommittee referred the resolution to the full committee with a recommendation that it not be approved. The full committee supported this view and made the same recommendation to the House. The committee report and background materials were prepared in cooperation with the staff of the full committee. The House sustained the position of the committee and rejected the resolution, thereby approving the plan. Subsequently, the Senate voted to support the plan, and it therefore became effective on July 3, 1961.

7. House Report No. 511 (H. Res. 305) approving Reorganization Plan No. 4 of 1961 (Federal Trade Commission) (June 12, 1961):

House Resolution 305 proposed that Reorganization Plan No. 4 of 1961 relating to the Federal Trade Commission be disapproved. The plan authorizes the Federal Trade Commission to delegate any of its functions to a division of the Commission, an individual Commissioner, or to employees of the Commission and gives to the Chairman the authority to designate the individual Commissioners or employees to perform the delegated functions.

After hearings, the subcommittee referred the resolution to the full committee with a recommendation that it not be approved. The full committee supported this view and made the same recommendation to the House. The committee report and background materials were prepared in cooperation with the staff of the full committee. The House sustained the position of the committee and rejected the resolution, thereby approving the plan. Subsequently, the Senate voted to support the plan, and it therefore became effective on July 9, 1961.

8. House Report No. 576 (H. Res. 328) approving Reorganization Plan No. 5 of 1961 (National Labor Relations Board) (June 26, 1961):

House Resolution 328 had as its purpose the disapproval of Reorganization Plan No. 5 of 1961 relating to the National Labor Relations Board. The plan would have authorized the National Labor Relations Board to delegate its functions to a division of the Board, an individual Board member, or to employees of the Board.

After hearings, the subcommittee voted to recommend that the committee not favor the resolution, thereby approving the plan. The committee supported the position of the subcommittee and made the recommendation to the House. The Committee report and background materials were prepared in

cooperation with the staff of the full committee. The House subsequently voted in favor of the resolution on July 20, 1961, thereby rejecting the plan and preventing it from becoming effective.

9. House Report No. 989 (H.R. 8603), public information on identical bids to public agencies (Aug. 17, 1961):

This bill would require the making of reports by Federal procurement officers to the Attorney General where identical bids exceeding $10,000 are made in response to an advertisement to bid. Among other things, the bill required a noncollusion affidavit to accompany each bid.

After hearings, a clean bill was introduced and reported to the full committee, and subsequently to the House, where it passed. A committee report and other background materials were prepared by the subcommittee staff. No action to date has been taken by the Senate.

10. House Report No. 1053 (H.R. 8429), establishing a Department of Urban Affairs and Housing, and for other purposes (Aug. 28, 1961):

This measure was recommended to the Congress by the President and has as its purpose to create a Department of Urban Affairs and Housing. It would transfer to the Secretary of the new Department the functions of the Housing and Home Finance Agency and several of its constituent branches. The Federal Housing Administration and the Federal National Mortgage Administration would be transferred to the new Department. In addition to the housing functions, the new Secretary would conduct comprehensive studies of problems of housing and urban development, develop and recommend policies, exercise leadership in coordinating Federal activities affecting urban areas, and encourage comprehensive planning by State and local governments of community development activities.

After hearings, a clean bill was introduced and reported to the full committee and subsequently to the House. The committee report and other background materials were prepared by the subcommittee staff. The bill was then referred to the Rules Committee, where it is awaiting action.

11. House Report 1216 (H.R. 8798), travel expenses for student trainees when assigned to certain Government positions (Sept. 19, 1961):

This measure was recommended to the Congress by the U.S. Civil Service Commission and authorizes the payment of travel and transportation expenses to certain student trainees who were not included in more comprehensive legislation reported by this committee in the 86th Congress (Public Law 86-587).

The bill was reported favorably to the full committee and subsequently to the House, where it was passed. The Committee report and other background materials were prepared by the subcommittee staff. No action to date has been taken by the Senate.

12. Action taken on House Resolution 335 and House Resolution 336:

In addition to the foregoing, hearings were held on House Resolution 335 relating to Reorganization Plan No. 6 of 1961, and House Resolution 336 relating to Reorganization Plan No. 7 of 1961.

Reorganization Plan No. 6 transferred from the Federal Home Loan Bank Board to its Chairman certain functions including the appointment and removal of personnel, the distribution of business among such personnel, the overall management, functioning, and organization of the Board. The Chairman, however, is governed by the general policies of the Board in carrying out his functions.

Reorganization Plan No. 7 created a new and fully independent Federal Maritime Commission and transferred to it the functions of the Federal Maritime Board, which was abolished. There were also transferred to the Chairman of the Commission the functions of the Chairman of the Federal Maritime Board and certain functions of the Secretary of Commerce. The Commission was given authority to delegate its functions to individual Commissioners or employees of the Board. A position of Maritime Administrator was provided for, and the present Maritime Administration was retained within the Department of Commerce. Certain functions of the abolished Federal Maritime Board relating to subsidies were transferred to the Secretary.

Background material was prepared in cooperation with the staff of the full committee. The subcommittee recommended to the full committee that the disapproval resolution on these plans be rejected. The full committee, however, decided to table both disapproval resolutions and make no recommendation to the House. This had the effect of approving the reorganization plans. No report was issued. Subsequently, the House acted upon both resolutions by motions to discharge the committee. By rejecting these motions the House sustained the plans. Since the Senate took no action to disapprove the plans, they both became effective on August 12, 1961.

(c) Twelve days of formal hearings were held during the 1st session of the 87th Congress.

III. REPORTS RECEIVED SUCH AS NOTICE OF NEGOTIATED SALES, GENERAL ACCOUNTING OFFICE AUDIT REPORTS, AND SIMILAR MATTERS CONSIDERED, WHICH ARE NOT LEGISLATION

(a) Number of each received: Eleven audit reports of the General Accounting Office were received.

(b) Action taken:

1. Audit of the Southwestern Power System and related activities, Corps of Engineers (civil functions), Department of the Army, and the Southwestern Power Administration, Department of the Interior, for the fiscal years 1958 and 1959. (See item 3 below.)

2. Audit of selected activities of the Bureau of Reclamation, Department of the Interior, in the lower Colorado River Basin for the fiscal years 1957, 1958, and 1959. (See item 3 below.)

3. Audit on the financial statements of the Columbia River power system and related activities for fiscal year 1960.

With respect to the above three reports, the committee requested the comments of the Department of the Interior on questions and criticisms raised in the reports concerning depreciation accounting, interest during construction, inadequate statements comparing actual with planned repayment, administrative changes in important features of the Collbran project, energy rates charged the Government by the Yuma project, and trespass occupancy of lands along the lower Colorado River. The Department's detailed reply is being used as a basis for further committee inquiry.

4. A report on a general review of current automatic data processing developments in the Federal Government.

A detailed analysis of the report was prepared, and the Bureau of the Budget was asked to comment on a number of aspects of the report. The committee has had considerable correspondence and is maintaining close liaison with the Bureau on integrated long-range planning and coordination of ADP within the Government, as well as on equipment selection and acquisition policies. The Director of the Bureau of the Budget, on October 16, 1961, approved a circular to all executive departments and establishments which sets out policies on selection and acquisition of ADP equipment.

5. Audit of the Tennessee Valley Authority for the fiscal year ended June 30, 1960.

The report questioned whether TVA may properly solicit suppliers by telegraph and telephone in lieu of public advertisement and submission of sealed bids in situations which appear not covered by the usual statutory exceptions. The committee has received conflicting legal opinions from the TVA and the Comptroller General. The matter is under active study.

6. Audit of Federal Prison Industries, Inc., Department of Justice, fiscal year 1960. No further action contemplated.

7. Audit of the Federal Home Loan Bank Board for fiscal year 1960. Further study being made and comments will be requested from agency.

8. Review of admission and collection practices relating to the hospital and medical care program, Department of Public Health, District of Columbia government, January 1960. Further study being made and comments will be requested from agency.

9. Review of selected operations of Department of Highways and Traffic, District of Columbia government. Further study being made and comments will be requested from agency.

10. Review of selected activities of the Bureau of the Budget—Executive Office of the President, fiscal year 1960.

The report identified certain inadequacies in the Bureau of the Budget's program to improve management practices in the executive branch of the Government. In response to this criticism, a detailed review is being made of the records of the Bureau of the Budget pertaining to management survey contracts with private management consultant firms. A staff report on this aspect of the Bureau's management improvement activities will be prepared.

11. Audit of National Capital Housing Authority—fiscal years 1959 and 1960. Further study being made and comments will be requested from agency.

IV. PRIOR ACTIVITIES OF THE SUBCOMMITTEE OF CURRENT OR CONTINUING INTEREST

(a) Cumulative money savings or recoveries: No estimate possible at this time.

(b) Other affirmative benefits: See I(b) above.

V. PROJECTED PROGRAM FOR THE REMAINDER OF THE 87TH CONGRESS

1. Study and possible hearings on pending and other legislation to be referred in the 2d session of the 87th Congress.

2. Continuation until conclusion of investigations reported in I(b) above.

3. The subcommittee study of the various Hoover Commission reports referred is continuing so that implementation can be pressed wherever efficiencies or economies for the Federal Government are indicated. An investigation is also being made into the advisability of recommending legislation to create another commission to study Government organization.

4. A study of the Government Corporation Control Act along with suggested changes recommended by the Bureau of the Budget.

5. The study of scientific research and development, on which one report has been made, will be continued.

6. The study of the functions of the General Accounting Office in Europe is continuing and a check being made on implementation of the committee's recommendations.

7. The investigation into the importation of foreign excess property will be continued with close attention given to the revision of policies and procedures by the Department of Commerce, including the advisability of further legislation.

8. A special study of payments in lieu of taxes on industrial and commercial-type properties owned by the Government will be made with a view toward the recommendation of permanent legislation.

9. The subcommittee will continue its annual compilation of Federal real and personal property.

10. The investigation and study of personnel practices and procedures in the Government departments and agencies, particularly in the Internal Revenue Service, Des Moines, Iowa, and Bureau of Public Debt, Chicago, Ill., will be continued. Specific followup action is being taken on the implementation of the recommendations made by the committee in earlier reports.

11. The study of the advisability of requiring the President's budget to be presented in a manner separating capital investments from operating expenses will be continued.

MILITARY OPERATIONS SUBCOMMITTEE

(HON. CHET HOLIFIELD, chairman)

I. INVESTIGATIONS

(a) Reports issued:

1. "Air Force Ballistic Missile Management (Formation of Aerospace Corporation)," third report by the Committee on Government Operations, House Report No. 324, May 1, 1961 (58 pages).

This report reviews developments leading to the formation of Aerospace Corporation as the technical manager of Air Force space systems and advanced missile systems. Aerospace, a nonprofit corporation established in California, will direct certain projects formerly handled by Space Technology Laboratories, Inc. (STL), a wholly owned subsidiary of Thompson Ramo Woolridge, Inc. The former Air Force-STL arrangement was critically evaluated by the subcommittee in House Report No. 1121, 86th Congress, 1st session. STL continues to direct and engineer the Atlas, Titan, and Minuteman ICBM projects for the Air Force, with diminishing responsibilities as these projects approach the operational stage.

In the report, the committee recommends that the Air Force review the remaining contract functions of STL with a view to closing these out as rapidly as possible, in order to eliminate overlapping layers of technical management. The committee suggests that the Air Force place greater management responsibilities on Aerospace Corporation and the weapon contractors as rapidly as they can assume them.

The committee notes that the Air Force has become the dominant military agency for ballistic missile and space systems and that Aerospace Corporation, with its direction responsibilities, will perform a central role. In the future, Aerospace is expected to build up to about 1,000 scientific and engineering personnel, with possible further growth in the future. The report warns against empire building which might dilute the high quality of the technical staff.

The negotiations which were required in the formation of Aerospace resulted in a transfer of personnel from STL, the purchase by the Air Force of STL's nine-building research and development center at a cost of $23.5 million, and the provision of an advanced payment pool of $5 million for Aerospace working capital.

The report notes that Air Force contract payments to both Aerospace and STL in fiscal year 1961 will be $84 million, compared to a cost of $78 million for STL alone in fiscal year 1960.

The Air Force attributed this increase to the peak workloads in the Minuteman program schedule, and to other added administrative support requirements.

The report reviews other technical resources of the Air Force Systems Command (formerly the Air Reserve and Development Command) and its several associated contract agencies.

The report states that specialized contract agencies such as Aerospace have become important adjuncts of Government efforts in scientific and technical fields associated with the national defense. There are several kinds of opposition to the use of such contract agencies. However, the tendency to use this contract system is bolstered by the increasing complexity of new weapons, the accelerated pace of technological development, and the compelling competition with the Soviets.

2. "Defense Materiel Utilization Program," sixth report of the Committee on Government Operations, House Report No. 1214, September 19, 1961 (35 pages). This report reviews activities in the Department of Defense related to the efficient use of existing inventories in lieu of unnecessary new procurement. These screening, identification, and utilization operations are related to, but outside of, the more integrated supply operations under such programs as the single manager program.

The scattered and complex organization for utilization is discussed, and the variety of procedures that must be carried out by inventory managers in order to find and utilize excess or surplus property held by other defense agencies are described. A need was clearly indicated for great simplication and more effective utilization of assets.

There is an estimated $13 billion in long supply or excess inventory in the supply systems alone, which comprise only about one-third of the total personal property holdings of the Department of Defense. Only a small portion of excess reported as utilized was processed through centralized and fully coordinated utilization programs. Inadequate identification data and lack of centralized screening procedures were apparent deficiencies in the supply systems. The existence of a backlog of surplus property appeared to be overemphasized.

The disposal sales system is geared largely to a high rate of disposal without adequate concern for utilization. Examples of inadequate procedures were cited. Furthermore, the rate of return from surplus sales appeared to be too low, especially in comparison with the advantage to the Government of utilizing property to the end of its service life.

Thirteen recommendations are made in the report, aimed at increasing the emphasis on utilization work, and at increasing its efficiency.

It was noted that a new single defense supply agency is to be organized under the Secretary of Defense. One of the objectives of the agency is to improve materiel utilization. The subcommittee states, however, that added emphasis on utilization will be required even under the new agency, and that strong interim control measures are necessary.

3. "New Civil Defense Program," ninth report by the Committee on Government Operations, House Report No. 1249, September 21, 1961 (82 pages). This is the first comprehensive report on the recent reorganizations in Federal civil defense and the administration's program for fallout shelters. It is the seventh subcommittee report in the past 6 years on civil defense problems. The report reviews new policies and measures designed to produce a stronger civil defense organization and an actual civil defense capability for the Nation. It also reviews the chronological development of shelter and evacuation policies over the past decade as the background of the civil defense assignment to the Department of Defense. It considers some basic attitudes which are taken toward civil defense programs and also includes a discussion of the current Soviet civil defense preparation.

Stating that the shelter identification and marking program is only a first step, the report calls upon the Department of Defense to develop an optimum shelter plan for the United States as rapidly as possible.

The effectiveness of underground shelters against radiation and some degree of blast effects the utility of group shelters as a basis for survival and recovery operations, and the cost of certain kinds of shelter systems are discussed. A need for stocking shelters with food and water introduces other problems. There also is a need for training programs to explain the use of shelters, and the other civil defense efforts that will be required, to the people.

The report calls for a sizable increase in civil defense research and development in order to find approaches to many unsolved problems. Such work also could lead to later savings in time, equipment, and money.

With regard to Soviet civil defense, the report concludes that the Soviet Union has been engaged in an expensive and expanding civil defense program. The Soviet Union now has shelters for a substantial part of its city populations.

The report includes a special warning note for the American people to avoid fly-by-night operators with civil defense-labeled schemes and to be wary of false advertising of civil defense merchandise and services.

(b) Investigations not resulting in a formal report:

1. Surplus property disposal: The staff has continuously scrutinized military surplus disposal actions, investigating more closely those which indicated dissipation of valuable Government resources.

A quantity of Navy radio sets were identified as having civil defense use, and through inquiries made of the OCDM these unused radio sets were made available to the civil defense organizations of New Jersey and Virginia, instead of being disposed as surplus. Savings are listed in I(c)3 below.

2. Missile site construction: The staff investigated delays in missile site construction and alleged irregularities in contractor performance. Certain matters were referred to the Comptroller General for opinion.

3. Military air transportation: Hearings were held on further developments in this field, particularly with regard to contract allocation procedures. A report will be prepared on this subject. Emphasis will be given to recent developments in MATS modernization and procurement of commercial airlift services.

4. Defense catalog and standardization programs: Hearings were held on the progress and accomplishments of these programs and on the extent to which prior committee recommendations have been followed. A report will be prepared on this subject.

5. Military flight pay: The staff is making a study of this matter in connection with the interest of many Members and current legislative proposals for changes in these pay regulations.

6. Military-civilian relations in air traffic control: The staff held conferences and reviewed developments in this field to determine whether economies can be achieved and air safety promoted by better integration and better use of facilities. A report prepared at the subcommittee's request by the FAA on "Air Defense Air Traffic Control Integration," was received and is being studied in connection with this investigation.

7. Defense reorganization: The staff is making a study of the reorganizations which have resulted from the Department of Defense Reorganization Act of 1958 and from the actions of the new administration.

8. Automatic data processing systems and equipment: The staff is studying certain aspects of the contracting for, and use of, automatic data processing systems and equipment in the Department of Defense.

9. Mutual weapons development program: The staff has conducted field investigations and preparatory studies to determine whether the mutual weapons development program in its present form is achieving optimum savings and the greatest possible technical benefits for military research and development.

10. Multilateral weapons production programs: The staff has studied programs for

production of U.S.-developed weapons in NATO countries intended to replace or supplement direct military assistance. Included in this study is the question of the transfer of proprietary and patent data to foreign firms.

11. Procurement of aerial reconnaissance cameras: The staff investigated complaints alleging irregularities in the award of contracts, and the complainant was notified of a ruling made by the Comptroller General in this matter.

12. Supply of electric power for missile bases: A staff inquiry was made into the matter. The complainant was advised of decisions by the Air Force which would permit participation in such contracts by other companies.

13. Alleged irregularities in procurement of generators at McClellan Air Force Base, Calif.: A staff investigation was made of this matter and initial results were furnished to the complainant company. Further exploration of the issues raised was included in the investigation of the defense standardization program.

14. Many subject matters were investigated by the subcommittee at the request of Members of Congress. The subcommittee staff endeavors at all times to respond fully and promptly to Members' requests, to assemble and convey the necessary information, or to advise Members on appropriate courses of action that may be taken by constituents who refer matters to them.

(c) Monetary savings or recoveries as a result of investigation:

1. As a result of increased emphasis on the utilization program in the Department of Defense due in part to the subcommittee's investigation, the central utilization program has achieved an increase of about $62 million in reporated utilization transactions.

2. The savings to the Government estimated to have resulted from the utilization of Navy radio sets for civil defense purposes in lieu of disposal as surplus (see I(b)1 above) are $500,000.

(d) Other remedial measures taken and nonmonetary benefits:

1. "Air Force Ballistic Missile Management (Formation of Aerospace Corp.), House Report No. 324 (see I(a)1 above). Several developments with regard to Aerospace Corp. are of particular interest.

A. As noted on page 43 of the report, Aerospace Corp. will be included under the new defense policy with regard to Government patent rights arising from Government-sponsored research in new areas.

B. As noted on pages 33–34 of the report, there has been a strong interest generated in Aerospace Corp. on the problem of conflict of interest. Corporation policy has been formulated to avoid conflicts of interest which would reflect adversely on Aerospace or its mission for the Air Force.

C. This report has become a basic text in the study of contract organizations working for Government agencies. Several other studies have been initiated by groups within and outside the Government, utilizing the background data and issues presented in the report.

The following comment was made by the Secretary of Defense in a formal reply to House Report No. 324:

"A review of your report shows it to be an excellent, comprehensive and objective analysis of a complex subject. I am sure the report will prove to be of special value to the Air Force in developing the most effective utilization of the Aerospace Corporation. Like its predecessor, House Report No. 1121 on the 'Organization and Management of Missile Programs,' this report should be a valuable source document to all elements of the Department of Defense concerned with problems relating to the management of our major weapons systems."

2. "Defense Materiel Utilization Program," House Report No. 1214 (see I(a)2 above). The following nonmonetary benefits are being achieved in the utilization programs:

A. The utilization division as a part of the Armed Forces Supply Support Center will assume a central and higher role in the new Defense Supply Agency.

B. Work on a centralizing screening system is progressing and will be developed for use among all of the military agencies to increase the benefits of this program.

C. A single operating manual for utilization work is being developed at the Armed Forces Supply Support Center.

The following comment was made in the Department of Defense's formal reply to House Report No. 1214:

"The Department of Defense appreciates this opportunity to review and comment on this report, which is constructive and helpful. The recommendations contained in the report, after full implementation by this Department, will result in an improved materiel utilization program. Implementation of these recommendations in certain instances is already in process, and in other instances the recommendations will establish not only our objective for accomplishment, but a sound blueprint for achieving the objective."

In addition, the Department of Defense indicated that it concurred in all 13 of the committee's recommendations and that it was taking appropriate corrective action.

3. "New Civil Defense Program," House Report No. 1249 (see I(a)3 above). The subcommittee has already received indications that serious consideration is being given to many problems posed in this report in the new Office of the Assistant Secretary of Defense for Civil Defense.

A. The report emphasizes the need for economy and efficiency as well as the speedy execution of the shelter identification and marking program. There are indications that efforts will be made in the Department of Defense to accomplish these purposes.

B. Numerous requests are being received for this report and a large public interest has been evidenced in the committee investigation.

(e) Days of hearings held: A total of 12 days of public hearings were held by the subcommittee.

1. Defense cataloging and standardization programs: Executive briefing session on April 13, 1961, and public hearings on April 14, 1961.

2. Defense materiel utilization program: Hearing on May 16, 1961.

3. Military air transportation: Public hearings, June 19, 20, and 23, 1961.

4. Civil defense: Public hearings on August 1, 2, 3, 4, 7, 8, and 9, 1961.

II. LEGISLATION

(a) Number of measures referred to the subcommittee:

No legislative measures were referred to the subcommittee during the session under review.

However, a statement by Subcommittee Chairman HOLIFIELD was read before the Executive and Legislative Reorganization Subcommittee on H.R. 4570. This bill would amend the Federal Property and Administrative Services Act of 1949, as well as title 10 of the United States Code, to provide for public information and publicity concerning instances where identical bids are submitted to public agencies for the sale or purchase of supplies, equipment or services. The chairman's statement reviewed a number of cases which have been investigated by the Military Operations Subcommittee and made suggestions. Some of the suggestions made were incorporated into the committee bill (H.R. 8603), which passed the House on August 22, 1961.

III. REPORTS RECEIVED SUCH AS NOTICE OF NEGOTIATED SALES, GENERAL ACCOUNTING OFFICE AUDIT REPORTS, AND SIMILAR MATTERS CONSIDERED WHICH ARE NOT LEGISLATION

(a) Number of reports received:

Forty-five reports on audits and reviews made by the General Accounting Office were received by the Subcommittee. All these reports were reviewed and analyzed by the staff, and the specific activities on the findings reported are shown below:

(b) Action taken:

1. The following GAO reports were used as background, documentation, or preparation of "Defense Materiel Utilization Programs," House Report No. 1215:

Review of interservice utilization of aeronautical supplies and equipment within the Department of Defense, B–133313, September 15, 1961.

Review of the reservation of Army excess material for the military assistance program, B–133363, July 31, 1961.

Review of planned procurement and concurrent disposal of compressed gas cylinders, Corps of Engineers, Department of the Army, B–133376, June 30, 1961.

Review of management within the Department of the Air Force of replacement equipment, B–133361, June 30, 1961.

Review of management of idle production equipment within the Department of Defense, B–133372, June 30, 1961.

Review of reciprocating engine spare parts, procurement and repair requirements, San Antonio Air Materiel Area, Department of the Air Force, B–133019, May 10, 1961.

Review of supply management of selected electronic equipment programs, Department of the Navy, B–133313, January 31, 1961.

2. The following GAO report was used as background and documentation for "Air Force Ballistic Missile Management (Formation of Aerospace Corporation)" House Report No. 324:

Findings resulting from initial review of the ballistic missile programs of the Department of the Air Force, B–133042, December 27, 1960.

IV. PRIOR ACTIVITIES OF THE SUBCOMMITTEE OF CURRENT OR CONTINUING INTEREST

(a) Because of the nature of the investigations undertaken by this Subcommittee, all reports are of continuing interest. Prior reports have contributed to current hearings and reports, and continuing notice is taken of subjects relating to past reports and investigations.

(b) The earlier reports of the Subcommittee in the civil defense area have continued to be basic texts for everyone interested in the field. These reports were:

(Those marked with an asterisk are no longer available for distribution from the committee.)

"Civil Defense for National Survival," H. Rept. No. 2946, 84th Cong., 2d sess., submitted July 27, 1956.*

"Status of Civil Defense Legislation," H. Rept. No. 829, 85th Cong., 1st sess., submitted July 22, 1957.*

"Analysis of Civil Defense Reorganization" (Reorganization Plan No. 1 of 1958), H. Rept. No. 1874, 85th Cong., 2d sess., submitted June 12, 1958.*

"Atomic Shelter Programs," H. Rept. No. 2554, 85th Cong., 2d sess., submitted August 12, 1958.*

"Civil Defense in Western Europe and the Soviet Union," H. Rept. No. 300, 86th Cong., 1st sess., submitted April 27, 1959.*

"Civil Defense Shelter Policy and Postattack Recovery Planning," H. Rept. No. 2069, 86th Cong., 2d sess., submitted July 1, 1960.

(c) Several earlier reports assisted in laying the foundation for the single manager program in the Department of Defense. The recent reports on military supply management—"Military Supply Management (Single

Manager Agencies)," House Report No. 674, 86th Cong., 1st sess., and "Military Supply Management (Progress in Single Management)," House Report No. 2074, 86th Congress, 2d session—assisted in adding needed impetus and emphasis on the single manager program and in the establishment of the new Defense Supply Agency. This agency appears to be initially aimed at control and management of the expanding single manager agencies, bringing the bulk of common military supplies and services under central direction.

Savings so far reported from the single manager program are as follows (as of June 30, 1961): Annual savings $23,929,496. One-time savings $543,816,316.

The Secretary of Defense has stated that savings of $2 to $4 billion in inventory reduction may be possible under the Defense Supply Agency.

Another benefit derived from these hearings and reports on military supply management has been their use as the basis for further studies by other groups and agencies of problems which could not easily be documented or studied before. For instance, the Attorney General utilized the hearing and report on single manager agencies for study of the competitive situation in the petroleum industry, as faced by the Military Petroleum Supply Agency. The report was entitled "Military Procurement of Petroleum, Report of the Attorney General Pursuant to Section 708(e) of the Defense Production Act of 1950, as Amended, as of November 9, 1960."

(d) In the area of "Organization and Management of Missile Programs," House Report No. 1121, 86th Congress, 1st session, a number of adjustments have been made in the management of these programs in response to subcommittee criticisms.

V. PROJECTED PROGRAM FOR THE REMAINDER OF THE 87TH CONGRESS

The projected program of the subcommittee will include the following subject areas, and consist of followup investigations, collateral inquiries, and reports where appropriate:

1. Organization and management of missile programs.
2. Military supply management, including cataloging and standardization.
3. Military air transportation.
4. Civil defense problems.
5. It is anticipated that other matters will arise which will require subcommittee action.

GOVERNMENT ACTIVITIES SUBCOMMITTEE

(Hon. JACK BROOKS, chairman)

I. INVESTIGATIONS

(a) Investigative reports issued:

It is anticipated that a formal report will be completed and presented during the 2d session, 87th Congress, in connection with the subcommittee's investigation and hearing of August 1961, concerning the Government's nickel plant at Nicaro, Cuba. (See below (b)1.)

(b) Other investigations not resulting in a formal report:

1. Following up extensive studies, public hearings, and formal reports[1] made by the subcommittee, beginning in the 84th Congress, regarding the Government's $110 million nickel plant at Nicaro, Cuba, a hearing on circumstances concerning the close down on November 4, 1960, of the costly plant, and its subsequent status, as well as efforts being made to maintain a proprietary interest in it, was held August 29 and 30, 1961.

The hearing was conducted in executive session because of the confidential nature of some of the matters examined. Witnesses heard included GSA Administrator John L. Moore and other officials of the GSA, which owned the plant in the name of the Government; officials of the National Lead Co., whose subsidiary operated the plant for the Government, and of the Department of State, which dealt with policy matters concerning the plant.

The transcript is being screened for possible exclusion of confidential portions prior to publication by the Public Printer. It is anticipated that a report on this investigation and hearing, with appropriate findings and recommendations, will be completed for presentation during the next session of the 87th Congress.

2. Maintained investigative liaison with concerned Government officials regarding the status of the Government's $248 million nickel-cobalt contract obligations at Moa Bay, Cuba, and Braithwaite, La. The subcommittee's investigation of this matter resulted in public hearings May 11 and 12, 1959, and subsequent study. A report was in preparation but was suspended because of the political changes in Cuba, which resulted in shut down of the Moa Bay operation in late 1959 and its formal expropriation by the Castro government in July 1961. Current status of the Moa Bay operation was reviewed briefly in the course of the executive hearing cited above.

3. Continued investigation, initiated during 86th Congress, of method whereby the General Services Administration acquired the site for the proposed new Federal Building in Dallas, Tex. Further interviewed private citizens critical of the method, and conferred with concerned GSA officials. Studied documents obtained from GSA and a report made at subcommittee request by the General Accounting Office. Staff investigators prepared a detailed examination of the application of the law of eminent domain, a facet of the matter which continues under subcommittee study.

4. On request of a Member of Congress, investigated methods utilized in awarding contracts for cafeteria services in Government buildings in the Washington, D.C., metropolitan area. Reported to the Member in letter dated September 15, 1961, and further questions raised are currently being studied.

5. As a result of the subcommittee's extensive investigations of various facets of Government surplus property disposal, including an investigation in spring 1961, of disposal activities delegated to the Department of Defense, the subcommittee recommended informally to the GSA that the agency study the feasibility of assuming more control over such delegated disposal operations. The GSA, accordingly, began such a study in July 1961, in line with the subcommittee's expressed belief that advantages in economy and efficiency might be accomplished. Subcommittee is maintaining liaison in the matter with concerned GSA officials.

6. Investigated, in response to complaint of a Member of Congress, the failure of the National Capital Park Service to utilize competitive bidding procedures in obtaining public address service for the 1961 season for the Carter Barron Amphitheater in Washington, D.C. Upon having the facts in the matter brought to his attention, the Secretary of the Interior advised the subcommittee that action has been taken to prevent a repetition of this practice and pointed out that the failure to use the proper procedure was unusual in that the procurement report for the 6-month period ending June 30, 1961, shows the Park Service formally advertised 94 percent of its dollar procurement volume, most of the remaining 6 percent representing transactions under $2,500.

7. Investigated competitive bidding in connection with GSA offering of approximately 1,391 acres of land at the Joliet Arsenal, Joliet, Ill., on request of a Member of Congress. Examination of facts in the matter and conferences with GSA officials indicated that inasmuch as the bid by Thomas F. Seay & Associates, Chicago, Ill., was not accompanied by the required bid deposit, it had been rejected as a nonresponsive bid.

8. Investigated GSA plans for remodeling the Roosevelt Park postal annex in Detroit, Mich., concluding that the agency had a sound, equitable basis for the proposed move, which hinged on approval of the renovation plan by the House Committee on Public Works.

9. Investigated policy and procedures of the GSA and other Government agencies with respect to the handling and disposition of articles which are lost and subsequently found in Government buildings. The inquiry was at the request of a Member of Congress and, upon its conclusion, the subcommittee drafted suggested legislation designed to standardize procedures in the matter.

10. Continued investigation, begun in 1960, in regard to operation and reorganization plans put into practice by GSA's Transportation and Public Utilities Service and effectiveness of its appearances before State regulatory bodies in rate cases. Conferred with GSA officials regarding personnel changes contemplated.

11. Investigated extensively the problems a Member's constituents encountered in their participation in the domestic manganese program administered by the GSA. Following conferences with officials concerned and careful study of records, it was determined that the case was an isolated one, rather than a general condition jeopardizing the efficiency and economy of the program, and already was on the docket of the U.S. Court of Claims. An appropriate report was made to the inquiring Member.

12. Upon learning that the Department of the Navy was in the process of negotiating the disposal of valuable Navy facilities at McCook, Ill., to the Reynolds Metals Co. as "contractor's inventory," a category which would not require submission of an explanatory statement to the Congress, the subcommittee initiated an investigation in April 1961. In a letter to the Assistant Secretary of the Navy on May 23, 1961, the subcommittee questioned the legality of that method for disposing of the property.

A conference between representatives of the GSA, which delegates disposal authority to the Navy, Navy representatives and the subcommittee chairman and staff members on June 23, 1961, resulted in an informal understanding, which was followed by submission of the appropriate explanatory statement on July 13, 1961. Submission of this statement in conformance with section 203(e) of the Federal Property and Administrative Services Act of 1949, as amended, prevented the establishment of a possibly dangerous precedent which the method originally advocated by the Navy might have set for disposition of other similar Defense Department surplus.

13. Investigated GSA plans for disposition of the surplus Keystone Ordnance Works, Crawford County, Pa. Conferred with GSA officials, studied records, and met with delegates from the Meadville, Pa., Area Industrial Commission, Pennsylvania State officials, and their Congressman in connection with the Meadville group's desire to acquire a portion of the property. The matter continues under subcommittee study.

14. Investigated circumstances surrounding bids for furnishing post office lock boxes to the Post Office Department. The study included conferences with complainants and General Accounting Office representatives.

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[1] Public hearing Jan. 13, 16, 17, and 18, and Feb. 16, 1956, "Inquiry Into the Expansion and Operation by GSA of Government Nickel Plant at Nicaro, Cuba"; H. Rept. No. 2390, 84th Cong., 2d sess., June 19, 1956; part 2 of aforesaid hearing held Oct. 18 and 19, 1956; public hearing Apr. 23 and 24, 1958, on "Disposal Problems of Government-Owned Nickel Plant at Nicaro, Cuba"; H. Rept. No. 684, 86th Cong., 1st sess., July 17, 1959.

Following a review of the GAO decision of February 17, 1961, in the matter, no further action was indicated.

15. Completed an investigation, begun late in the 86th Congress, of an order by former Postmaster General Arthur Summerfield to move the northwest regional post office from Portland, Oreg., to Seattle, Wash. No further action was indicated upon assurance by the new administration that the interests of economy and efficiency would be upheld in the matter.

16. Upon request of a Member of Congress, the subcommittee investigated the well-drilling operations conducted by the Department of the Interior. Bids had been rejected by Interior for a well-drilling project and the Department had determined to drill the well itself.

A study of the records in the matter and conferences with Interior personnel indicated that, while it is the Department's general practice to obtain bids for well-drilling operations, the Department does maintain several drilling rigs of its own and performs a small percentage of its own drilling. In the instance investigated, it was determined that it would be economically advantageous for the Department to drill its own well.

17. Initiated continuing investigation of GSA plan for establishment of a new centralized, Government-wide communications system. Examined records, conferred with concerned officials; the matter continues under study.

18. Maintained investigative survey, initiated earlier, of proposals to sell communications facilities at Department of Defense installations, in line with study made by subcommittee regarding such a proposed sale during the 85th Congress at the Newport (R.I.) Naval Base.

19. Cumulative investigation in progress in connection with GSA use of brokers in disposition of surplus property. Recommendations will be made to agency, if warranted, upon completion of study.

20. At request of a Member of Congress, the subcommittee investigated use of Government land for approaches to the Jones Point Bridge in nearby Virginia. Approximately 56 acres on the Virginia side of the Potomac River, a property known as the Battery Cove Military Reservation, was reported excess by the Department of the Army in 1954 and no disposal action taken in view of developing plans for the bridge. GSA, in July 1958, transferred 7.26 acres to the Interior Department for use as approaches to the bridge, the remaining acreage being used under permit to the Commerce Department as an assembly and storage area for the bridge construction. Legality of the transfer for approaches' use was established and GSA will appraise the remaining acreage and formulate disposal plans when it is no longer needed for an assembly area.

21. Investigated, on request of a Member of Congress, problems of a constituent regarding a matter before the GSA Board of Review, which had not rendered a decision. It was determined that the constituent's attorney had been granted several delays to file a brief answering points raised at a hearing before the Board, but had not. The Board pointed out it could not render a decision until all the evidence in the argument was in the file. As a result of the subcommittee's investigation, the Board chairman initiated a telephone contact with the attorney, reminding him to file the brief and granted him an additional 30 days to do so.

22. An investigative examination disclosed an apparent relaxation in the GSA's policy regarding conveyances of property for park or recreational purposes under section 13(h)(2) of the Federal Property and Administrative Services Act of 1949, as amended. The subcommittee chairman and staff presented facts in the matter at a meeting with GSA officials on September 19, 1961. The GSA subsequently orally notified the chairman that the agency is revising its policy to more closely conform to congressional intent and the provisions authorizing conveyance of such properties at 50 percent of the appraised fair market value, based on the highest and best use of the property at the time it is offered for disposal, regardless of its former character or use.

23. As a result of an inquiry from a Member of Congress, the subcommittee investigated the awarding of contracts for auctioneer services by the GSA. Complaints alleging favoritism or unfairness in the Atlanta, Ga., regional office were not substantiated by the investigation. The GSA utilizes a rating system for auction firms to determine eligibility to auction Government property and the complaining firm, based on its past record, was qualified to auction smaller properties but was not eligible for consideration for a sale of great magnitude.

Factors used by GSA in rating the various auction companies seem reasonable and the subcommittee study of GSA files indicated that the standards are applied uniformly. As a result of the investigation, the subcommittee encouraged the GSA to continue its steps to put into practice two modifications which should do much to eliminate criticism which has arisen with respect to the practice of negotiating auction contracts: (a) While GSA regional offices are not required by law to advertise for bids in the awarding of auction contracts, they now are being encouraged to do so; (b) the Atlanta regional office now intends to solicit offers from those auctioneers qualified for sales of a particular value, rather than negotiate only with a particular auction firm. The new GSA property disposal handbook also urges the use of this method of inviting proposals by its regional offices rather than following the negotiation method.

(c) Money savings or recoveries as a result of investigations: Money savings were made in items under section II(b) and in section IV(a).

A greater proportion of proposed negotiated sales of surplus Government property reviewed by the subcommittee now is acceptable as originally proposed by the agency. The indicated greater agency concern with obtaining acceptable prices for surplus property is a direct result of the subcommittee's continued vigilance and careful study of each such proposal. Indirect savings through the preventive effects of the subcommittee's insistence upon maximum, fair returns for the Nation's taxpayers, on the basis of actual cash savings realized in the past, would amount to millions of dollars.

(d) Other remedial measures taken and nonmonetary benefits attained as a result of investigations:

1. As a result of the subcommittee's recommendation, based on many investigations of Government surplus property disposals, the General Services Administration is studying the feasibility of assuming more control over disposal activities delegated to the Department of Defense, agreeing with the subcommittee that advantages in economy and efficiency may be accomplished.

2. The Secretary of the Interior advised the subcommittee that action has been taken to prevent a repetition of the failure of the National Capital Parks Service to utilize competitive bidding procedures in obtaining public address service for the Carter Barron Amphitheater.

3. Subcommittee drafted suggested legislation designed to standardize procedures in regard to the handling and disposition of articles lost and subsequently found in Government buildings, investigation having disclosed broad differences in the manner in which such property now is being handled. The draft was forwarded to the Member who initiated the investigation.

4. The establishment of a precedent which was subject to possible costly abuse and economic losses was prevented when the Navy Department, as a result of subcommittee action, abandoned efforts to dispose of a valuable surplus Navy facility as contractor's inventory, which would not have required submission of an explanatory statement to the Congress. The Navy then disposed of the property by negotiation in conformance with section 203(e) of the Federal Property and Administrative Services Act of 1949, as amended, submitting a proper explanatory statement to the Congress. The method originally advocated by the Navy could have served as a precedent for disposition of other similar Defense Department surplus, which should mount in volume with the announced closedown of outmoded installations.

5. The subcommittee's continued vigilance regarding any efforts to sell communications facilities on defense bases as surplus to private firms who then would furnish service to the base over the same lines (originally investigated during the 85th Congress) apparently has served as a deterrent to other defense efforts to take this uneconomic step.

6. As a result of subcommittee action, the GSA Board of Review took steps to speed up a decision in a case long delayed.

7. As a result of its investigation, the subcommittee encouraged the GSA to go ahead with steps to modify its method of awarding contracts for auctioneer services, evolving a more efficient system which should eliminate criticism which had arisen regarding its former method of negotiating auction contracts.

8. As a result of subcommittee action, the GSA reported orally to the subcommittee chairman that it was revising its policies regarding section 13(h)(2) of the Federal Property and Administrative Services Act, as amended, which concerns conveyances of property for park or recreational purposes, in order to conform more closely to congressional intent and obtain the maximum 50-percent return, under the law, for such properties.

(e) Days of hearings held: Formal investigative hearings were held on 2 days.

II. LEGISLATION

(a) Number of measures referred to the subcommittee: During the first session of the 87th Congress the subcommittee has had a total of 44 bills and resolutions referred to it for consideration.

These measures are broken down as follows: 38 House bills, 1 House resolution, and 5 Senate bills.

(b) Reports issued: Reports issued with title, date, and summary of each and description of subsequent legislative action on reported measures.

1. House Report No. 558, dated June 21, 1961, to accompany S. 537 reported in lieu of H.R. 5294.

Summary: The purpose of the bill is to amend section 13(h)(2) of the Surplus Property Act of 1944, as amended, to remove the technical restriction imposed on transfers for historic-monument purposes now contained in that provision. The bill removes the stipulation restricting transfers to properties acquired by the United States subsequent to January 1, 1900, and substitutes a 50-year criterion for determination of historical significance.

S. 537 passed the Senate May 29, 1961, and was referred to the Government Operations Committee and reported out June 21, as a substitute for H.R. 5294, which had passed the subcommittee. S. 537 passed the House July 10 and became Public Law 87-90 on July 20, 1961.

2. House Report 559, dated June 21, 1961, to accompany S. 539 reported in lieu of H.R. 3259.

Summary: The purpose of the bill is to amend the Surplus Property Act of 1944, as amended to permit nationals, American and foreign, to qualify for and receive financial assistance under the Fulbright Act, which provides such assistance for advanced education and study abroad.

S. 539 passed the Senate May 26, 1961, and was referred to the Government Operations Committee and reported out June 21, as a substitute for H.R. 3259, which had passed the subcommittee. S. 539 passed the House August 7 and became Public Law 87–153 on August 17, 1961.

3. House Report 560, dated June 21, 1961, to accompany S. 540 reported in lieu of H.R. 3260.

Summary: The purpose of the bill is to amend existing law to provide uniform authority for Federal departments and agencies to make advance payment for publications which do not fall within the category of newspapers, magazines or other periodicals.

S. 540 passed the Senate May 26, 1961, and was referred to the Government Operations Committee and reported out June 21, as a substitute for H.R. 3260, which had passed the subcommittee. S. 540 passed the House July 10 and became Public Law 87–91 on July 20, 1961.

4. House Report No. 1217, dated September 19, 1961, to accompany H.R. 8099.

Summary: The purpose of this bill is to amend subsection (a) of section 109 of the Federal Property and Administrative Services Act of 1949, as amended, by removing the capital limitation of the general supply fund.

H.R. 8099 was reported out of the Government Operations Committee on September 19, passed by the House on September 22, passed by the Senate on September 25, and became Public Law 87–372 on October 4, 1961.

5. House Report No. 1218, dated September 19, 1961, to accompany H.R. 8100.

Summary: The purpose of H.R. 8100 is to amend section 109 of the Federal Property and Administrative Services Act of 1949, as amended, to provide the General Services Administration with authority to use the general supply fund to pay transportation costs of supplies for Government agencies and to obtain reimbursement for those costs from customer agencies on a delivered price basis for the supplies distributed through the fund.

H.R. 8100 was reported out of the Government Operations Committee on September 19 and was passed by the House on September 22.

The subcommittee, after considering their merit and purpose, tabled the following two bills: H.R. 1015 and H.R. 2685.

(c) Days of hearings held: Hearings were held on legislative matters on 2 separate days.

III. REPORTS RECEIVED SUCH AS NOTICE OF NEGOTIATED SALES, GENERAL ACCOUNTING OFFICE AUDIT REPORTS, AND SIMILAR MATTERS WHICH ARE NOT LEGISLATION

(a) Number of each received:

1. The subcommittee has received a total of 81 explanatory statements of proposed negotiated disposals of Government surplus property for consideration during the first session of the 87th Congress. The statements are submitted to the committee in accordance with provisions of section 203(e)(6) of the Federal Property and Administrative Services Act of 1949, as amended, and each has been thoroughly reviewed. The original estimated acquisition cost of the property proposed for sale amounted to $173,223,125 and had a current appraised value of $43,380,358, while the proposed disposal price was $41,346,905. Six of the explanatory statements concerned leasing of Government property at a rental of $177,940 per year.

Sixty-eight explanatory statements pertained to the disposal of real property having an original acquisition cost of $173,049,563. This same real property had a current appraised value of $43,301,512 and the proposed disposal price was $41,261,360.

Seven of the proposed sales were of personal property which had an estimated acquisition cost of $173,562 and a current appraised value of $78,846. This property was being sold for $85,545.

2. GAO audit reports—32

(b) Action taken:

1. Negotiated sales:

a. In 13 instances of the 81 explanatory statements, more information was felt necessary to evaluate the proposal and the responsible Government officials accordingly were interviewed. The disposal agency's files also were examined in most of the cases and particular attention was given to a study of the appraisal upon which the sales price was based.

b. In one case it was determined that there was sufficient cause to warrant a personal inspection of the property being sold to properly evaluate the material made available to the committee. In this case an investigation of the circumstances surrounding the negotiation was undertaken which included interviewing of the prospective purchaser and other interested parties, as well as a study of the real estate market in the locale of the subject property.

This proposal concerned the sale of the former Naval Industrial Reserve Shipyard, located at Panama City, Fla., to the Panama City Port Authority. The property consisted of 118.03 acres of land together with 56 buildings and related personal property. The property had been appraised at $1,200,000 and was to be sold for $1,025,000, which price included the release of a Government claim against the port authority for $80,000 bringing the sales price down to $255,000 below the appraised fair market value.

GSA central and regional office files were reviewed and the appraisal thoroughly studied. In addition, the property was inspected and officials of the port authority were interviewed. It was concluded that the proposed sales price was less than the fair value of the property. Accordingly, it was recommended to the Administrator of GSA that the sale should not be consummated for less than the fair market value as reflected by the appraisal.

In the following months, the subcommittee chairman met with a delegation of citizens from Panama City, Fla., and the staff worked and conferred with GSA disposal officials regarding the agency's efforts to follow the subcommittee's recommendations. GSA negotiations subsequently brought a new offer from port authority officials and on April 11, 1961, the GSA Administrator submitted a new explanatory statement.

This proposal excluded a 3.3-acre tract of land and 4 buildings, leaving 114.73 acres of land, together with 52 buildings and related personal property, subject to the sale. The revised appraised value of the property to be sold was $1,114,500 and the proposed sales price was $1 million exclusive of any Government claims against the port authority.

While the sales price was below the appraised value, the new offer was considerably more than the previous offer and was sufficiently close to the appraised fair market value that it was determined that the new offer should be accepted. The sale was subsequently consummated and, as a direct result of the subcommittee's actions, the net monetary increase to the Government amounted to $145,500.

c. The subcommittee also was concerned with the sale of the $20 million Government surplus aluminum extrusion plant at Adrian, Mich. The property was offered twice competitively but all bids were rejected and negotiations were conducted with the Harvey Aluminum Co., one of the bidders for the plant.

In connection with the subcommittee's study, the chairman and staff met on March 2, 1961, with GSA officials and a delegation of prominent Adrian citizens who urged subcommittee support of the proposed sale to the Harvey firm, rather than to a scrap company, on grounds that resumption of operation of the plant was vital to the community economy.

Following the administration's policy of selling the property subject to conditions requiring its operation as an entity to help alleviate unemployment in the area, GSA consummated the sale to Harvey Aluminum Co. for $3,626,100, which was $100,000 higher than the highest bid that had been received.

2. GAO audit reports:

a. Report on Review of Federal-Aid Airport Program and of the Program for the Establishment of Air Navigation Facilities and Materiel, Federal Aviation Agency, 1960. FAA queried as to corrective action taken with regard to GAO recommendations. Agency reply shows corrective action has been taken.

b. Review of certain contracts by the Federal Maritime Board, Department of Commerce, for construction-differential subsidy and related ship construction, March 1961. Agency reply to subcommittee inquiry shows that the corrective action taken is satisfactory.

c. Review of Accounting System and Related Matters, Office of the Administrator, HHFA, June 1961. In reply to subcommittee inquiry, agency states that it is now complying with most GAO recommendations.

d. Audit of the Government Printing Office, fiscal year 1960. Correspondence with GPO shows that corrective action has been taken.

e. Review of selected operations of the compensation and pension program, Veterans Administration, June 1960. Agency reply to subcommittee inquiry indicates necessary corrective action has been taken.

f. Review of Coast and Geodetic Survey, Department of Commerce, fiscal years 1959 and 1960. Agency reply disagrees with GAO recommendations. Further inquiry is contemplated.

g. Review of slum clearance and urban renewal activities of the Atlanta regional office, HHFA, September 1960. Agency reply indicates that action is being taken to correct deficiencies.

h. Audit of general supply fund, GSA, fiscal year 1960. Agency reply to subcommittee inquiry is under study.

i. Review of certain aspects of the program for the termination of Federal supervision over Indian affairs, Bureau of Indian Affairs, Department of the Interior, March 1961. Department of the Interior queried as to corrective action taken. Report of special task force on Indian affairs, received August 7, is under study.

j. Audit of helium operations of the Bureau of Mines, Department of the Interior, March 1960. Awaiting agency reply to subcommittee inquiry as to corrective action taken on GAO recommendations.

k. Review of fur seal operations and administration of the Pribilof Islands, Bureau of Commercial Fisheries, U.S. Fish and Wildlife Service, Department of the Interior, June 1961. Agency reply to subcommittee inquiry has not been received.

l. The following reports are under staff study:

(1) Review of local housing authorities, Public Housing Administration, HHFA, June 1961.

(2) Audit of GSA contracts DMP–49, 50, and 51 with the Hanna Mining Co., Hanna

Nickel Smelting Co., and the M. A. Hanna Co., Cleveland, Ohio, April 1961.

(3) Audit of GSA contracts GS-OOP(D)-12006, 12143, 12192, and 12213 with Kaiser Aluminum & Chemical Corp. of Oakland, Calif.

(4) Audit of the Virgin Islands Corporation, fiscal year 1960.

(5) Review of certain activities of the government of the Virgin Islands, fiscal year 1960.

(6) Review of selected phases of manpower requirements for cleaning activities, Post Office Department, January 1961.

(7) Review of relocation housing program for small homes as administered by the Office of the Administrator and the Federal Housing Administration, HHFA, April 1960.

(m) After detailed analysis and review, no action was deemed necessary on the following GAO reports:

(1) Audit of Boston National Historic Sites Commission, April 1961.

(2) Audit of Lincoln Sesquicentennial Commission, November 1960.

(3) Audit of Inland Waterways Corporation, fiscal year 1960.

(4) Audit of abaca fiber program administered by GSA, fiscal year 1960.

(5) Audit of Federal Facilities Corporation, GSA, fiscal year 1960.

(6) Review of policies and procedures relating to leasing of space, Public Building Service, GSA, July 1959.

(7) Audit of Federal National Mortgage Association, HHFA, fiscal year 1960.

(8) Audit of revolving fund, Small Business Administration, fiscal year 1959.

(9) Review of education and training programs for Korean conflict veterans and war orphans, Veterans Administration, fiscal year 1959.

(10) Review of loan guarantee and direct loan programs, Veterans Administration, fiscal year 1960.

(11) Review of selected insurance operations of the Veterans Administration, fiscal year 1959.

(12) Audit of Veterans Canteen Service, Veterans Administration, fiscal year 1960.

(13) Audit of Public Housing Administration, HHFA, fiscal year 1960.

(14) Review of certain activities of the government of the Virgin Islands of the United States, fiscal year 1959.

IV. PRIOR ACTIVITIES OF THE SUBCOMMITTEE OF CURRENT OR CONTINUING INTEREST

(a) Cumulative money savings or recoveries: The subcommittee, during the 85th Congress, blocked the proposed negotiated sale of the Naval Industrial Reserve Shipyard at Newport News, Va., because the price of $3,510,000 appeared grossly out of proportion to the true fair market value of the $20,391,000 facility. GSA, at subcommittee request, withdrew its delegation of authority to the Secretary of Defense to dispose of the facility and made a new appraisal, which was evaluated by the GSA during the 86th Congress. The subcommittee continued liaison with GSA as the agency negotiated further with the potential buyer. An impasse was reached in the negotiations and GSA and the interested firm each agreed to obtain another appraisal. GSA's new appraisal was delivered in September 1961, and currently is under agency study. The subcommittee has maintained liaison with the agency in this prolonged matter, and an early settlement is in prospect at a price in excess of a million dollars more than the one originally proposed.

(b) Other affirmative benefits: Personnel changes designed to improve the administration of GSA's region 6, Kansas City, Mo., are a further result of the subcommittee's public hearings there March 25 and 26, 1960, which exposed serious irregularities in operation of the regional office, which serves a seven-State area. An executive hearing followed on April 27, 1960, in Washington. Transcripts of the public hearings were printed and distributed. GSA promptly issued orders strengthening rules governing real estate transactions, but it was not until January 1961 that recommended personnel changes were completed. Earl H. Lund, regional director of GSA's Public Buildings Service, was transferred to another region and the resignation of Thomas G. Jay, regional commissioner, was accepted in December 1960, and took effect January 20, 1961. Testimony before the subcommittee showed that Mr. Jay, whose wife engaged in the real estate business and sold houses to GSA employees was a partner in a deluxe motel venture in downtown Kansas City, and, among other things, was a key figure in contract transactions including one in which work was completed in a Federal office months before bids were invited for performance of the job and questionable tactics were used to screen the irregular procedure.

V. PROJECTED PROGRAM FOR THE REMAINDER OF THE 87TH CONGRESS

A. Program outline:

1. Study legislation referred to the subcommittee.

2. Examine and take necessary action on all negotiated sales and leases of Government property referred to the subcommittee.

3. Study and take necessary action on all GAO reports referred to the subcommittee.

4. Take action on inquiries and complaints within jurisdiction which are filed with the subcommittee.

5. Study progress made subsequent to public hearings of August 1960 regarding Civil Service Commission exceptions in use of specialized registers for hearing examiners.

6. Continue study of manner whereby GSA acquired site for the proposed new Federal building in Dallas, Tex.

7. Observe and evaluate any developments which further effect the seized U.S. Government nickel plant at Nicaro, Cuba, and U.S. nickel-cobalt obligations in connection with private mining operations at Moa Bay, Cuba, and Braithwaite, La. Submit corrected transcript of Nicaro hearing of August 29 and 30, 1961, relative to closedown and subsequent status of the plant, to Public Printer and distribute printed copies upon receipt. Prepare formal report based on information obtained in the hearing.

8. Observe any resumption of proposed sales of communications facilities by the Department of Defense.

9. Maintain liaison with GSA in its efforts to sell the Naval Industrial Shipyard at Newport News, Va., in accord with earlier subcommittee recommendations.

10. Continue study of GSA plans for Government-wide centralized communications.

11. Continue study of GSA use of brokers in disposition of surplus property.

12. Confer further with GSA officials now working out a plan, in accordance with subcommittee recommendation, for the agency to assume more control over disposal operations delegated to the Department of Defense.

13. Update earlier study of GSA's Board of Review, particularly noting status of workload.

14. Prepare for preliminary public hearing scheduled in Washington, D.C., on November 29 and 30, 1961, on H.R. 8248, a bill to provide an orderly program of decentralization and relocation of facilities and personnel of executive agencies.

15. Continue study of GSA plans to dispose of the surplus Keystone Ordnance Works, Crawford County, Pa.

16. Further investigate methods utilized in awarding contracts for cafeteria services in Government buildings in the Washington, D.C., metropolitan area.

INTERGOVERNMENTAL RELATIONS SUBCOMMITTEE

(Hon. L. H. FOUNTAIN, chairman)

I. INVESTIGATIONS

(a) Reports issued:

1. Health Research and Training: The Administration of Grants and Awards by the National Institutes of Health.—House Report No. 321, April 28, 1961 (2d report of committee, 87th Cong.)

This report deals with the grant programs administered by the National Institutes of Health, Public Health Service, for the support of medical and other health-related research and training activities conducted in non-Federal facilities. The report, which is based on a comprehensive study by the subcommittee staff, examines the participation of the Federal Government in the Nation's health research effort and gives detailed attention to the role of NIH in supporting such research, together with training in the health fields. The report evaluates the policies and procedures of NIH for administering its various grant programs. Special attention is given to the problem of determining the Government's obligation for the indirect costs associated with supported research.

The report contains 13 specific recommendations for improving the operation of the grant programs administered by the National Institutes of Health. Detailed information on these programs is given in appendix tables.

2. Consumer Protection Activities of Federal Departments and Agencies.—House Report No. 1241, September 20, 1961 (8th report of committee, 87th Cong.)

This report is the first of a series being prepared in an extensive study of consumer protection activities which the subcommittee is conducting. The 338-page report is based upon factual data obtained from 35 Federal departments and agencies and is believed to be the most comprehensive effort to date to compile basic information concerning the consumer protection activities of the Federal Government. The report describes 103 separate activities which directly protect consumer interests and gives information concerning the number of employees assigned and the approximate annual expenditures for these activities. The report also contains agency comments on the adequacy of resources available for each direct activity from the standpoint of legal authority, personnel, equipment, facilities, and funds. The report lists an additional 150 activities which advance consumer interests or protect them indirectly.

In addition to listing consumer activities by agency, the report also lists them by category according to their nature and purpose. For each category, the report contains a discussion of steps taken to coordinate related activities of various Federal agencies and presents available information concerning similar activities carried on by State and local governmental agencies.

(b) Investigations not resulting in a formal report: In addition to investigations resulting in formal reports, the subcommittee made many other inquiries into activities of the departments and agencies under its jurisdiction. Among the more important matters covered by these investigations are the following:

Activities of the Commodity Credit Corporation: The subcommittee has devoted considerable effort to continuation of its comprehensive inquiry into activities of the Commodity Credit Corporation. Subjects given particular attention include:

Government financed exports of agricultural commodities: Since the passage of Public Law 480 in 1954, sales of agricultural commodities for foreign currencies and other Government financed exports have totaled nearly $10 billion—more than a third of all

U.S. agricultural commodity exports during this period. In most instances, the commodities financed have also been sold or subsidized for export by the Commodity Credit Corporation.

Conflicts of interest: The subcommittee is examining the extent to which the Department of Agriculture has established and enforced adequate policies and procedures to protect against conflicts of interest in connection with CCC activities.

Price support, production adjustment and storage activities: These activities require—and are likely to continue to require for a number of future years—expenditure of hundreds of millions of dollars annually.

Coordination of investigative and enforcement activities: The subcommittee is examining the extent to which departments and agencies having investigative or enforcement responsibility involving similar or related matters coordinate their activities in order to avoid duplication of effort and best serve the public interest.

Antitrust law violations: The subcommittee is studying precautions taken to guard against violations of the antitrust laws in connection with Government procurement and other Government programs.

(c) Monetary savings or recoveries as a result of investigation:

Health research and training:

As a result of the Subcommittee's investigation of the grant programs administered by the National Institutes of Health, NIH has discontinued its former practice of making an indirect cost payment equal to 15 percent of the direct costs of a project regardles of whether and the extent to which indirect costs are actually incurred by the grantee institution when research is performed outside the institution. Although it is not feasible to estimate the total money saving which will result from this action, it might be noted that NIH makes grants of $2.4 million or more each year to non-Federal institutions for research performed in Veterans Administration hospitals. Since the VA actually bears the bulk of the indirect costs for this research (the granteee institution's expense being limited mainly to paperwork), it is estimated that the saving to the Federal Government in the indirect cost allowance for these projects alone will amount to at least $200,000 a year.

During the course of the Subcommittee's investigation, NIH changed its policy of permitting commercial firms to take title to the ownership of equipment purchased from NIH grants. Now equipment purchased with funds from a grant will remain the property of the Public Health Service.

Also in response to the Subcommittee's work, NIH is proceeding to initiate a number of management improvements in its grant programs, including the systematic financial review of the budgetary requirements of grantees. This action should lead to significant money savings.

Government financed export transactions: The subcommittee's investigation of Government-financed exports of agricultural commodities has resulted to date in identifiable refunds or recoveries in excess of $100,000, together with recurrent annual savings of approximately $1 million through new contracts for furnishing of recombined milk for troops in Japan, Okinawa, and Guam. Substantial additional savings or recoveries may result from other matters on which action is currently being considered.

(d) Other remedial measures taken and nonmonetary benefits:

Health research and training: In addition to achieving greater economy in the NIH grant programs, it is expected that the Committee's recommendations will result in improved administrative policies and practices which will strengthen the effectiveness and productivity of these important research and training programs.

Consumer protection: In its study of consumer protection activities, the subcommittee gave particular attention to a 1960 Agriculture Department order allowing addition of 10-percent water to federally inspected hams. This order has been rescinded by the Department of Agriculture.

Antitrust law violations: Weaknesses in Agriculture Department procurement procedures disclosed by executive hearings were called to the attention of that Department. A number of matters indicating possible antitrust law violations were referred to the Department of Justice and are currently under investigation by its Antitrust Division.

Commodity Credit Corporation activities: As a report of information developed in the subcommittee's investigation, the Department of Agriculture reported it had taken action to prevent appointment of State ASC Committeemen whose private interests might conflict wtih their public responsibilities.

The subcommittee's investigation disclosed that the Department of Agriculture had no centralized control records to show actions taken on reports from overseas indicating irregularities in departmental programs. Such records are now being established by the Department.

The subcommittee chairman met with the Secretary of Agriculture to bring to his attention some of the more significant matters disclosed by the subcommittee's investigation of CCC activities. A number of additional meetings between the subcommittee counsel and newly appointed policy making officials of the Department of Agriculture were held in order to discuss significant disclosures in current and past subcommittee investigations. As a result, the Department has taken some action to improve its procedures and further action is under consideration.

Coordination of investigative and enforcement activities: The subcommittee's examination of coordination of Government investigative and enforcement activities is still in its early stages. However, it appears a number of matters already called to the attention of appropriate Government agencies and being further investigated by those agencies may result in substantial savings or recoveries.

(e) Days of hearings held:

Executive hearings were held on July 11 and 13, and public hearings on August 1 and 2 (4 days).

II. LEGISLATION

(a) Number of measures referred to the subcommittee: Ten identical bills were referred to the subcommittee; H.R. 7802, H.R. 7803, H.R. 7804, H.R. 7805, H.R. 7808, H.R. 7814, H.R. 7892, H.R. 7928, H.R. 8310, H.R. 8534. These bills would provide for periodic congressional review of Federal grants-in-aid to State and local units of government.

(b) Reports issued: A draft report on H.R. 7802 has been prepared for consideration by the subcommittee.

(c) Days of hearings held: Hearings on H.R. 7802 and identical bills were held 2 days, July 25, and 27, 1961.

III. REPORTS RECEIVED SUCH AS NOTICE OF NEGOTIATED SALES, GENERAL ACCOUNTING OFFICE AUDIT REPORTS, AND SIMILAR MATTERS WHICH ARE NOT LEGISLATION

(a) Number of each received: Seventeen formal reports to the Congress by the General Accounting Office were referred to the subcommittee during the first session of the 87th Congress. In addition, the subcommittee requested and received from the GAO a number of reports made to executive agencies. These documents have been or are being studied by the subcommittee.

At the request of the subcommittee, the General Accounting Office made a number of special reports concerning matters involving possible violations of antitrust laws.

IV. PRIOR ACTIVITIES OF THE SUBCOMMITTEE OF CURRENT OR CONTINUING INTEREST

(a) Cumulative money savings or recoveries:

Grain storage: The subcommittee's investigation of CCC grain storage activities during the 86th Congress was a contributing factor in action taken by the Department of Agriculture to reduce storage rates approximately 19 percent. Estimated savings because of this reduction during fiscal year 1961 alone were about $80 million. It is anticipated that additional savings of around the same amount will be realized during the current fiscal year.

Production adjustment: The subcommittee's 1960 report on price support and production adjustment activities pointed out the tremendous costs of storing grain acquired as a result of programs providing price supports without production controls. The new feed grain program put into effect in 1961 restricts eligibility for price support to those producers who comply with acreage limitations. It is expected that this program change will result in very substantial savings.

Cheese and butter transactions: As of October 1961, total recoveries in cheese and butter transactions investigated by the subcommittee reached $2,319,187.70.

(b) Other affirmative benefits: During the 85th Congress, in connection with its report on Federal procurement of polio vaccine, the subcommittee recommended that the Justice Department conduct an investigation to determine whether there were antitrust law violations in the sale of other drugs and hospital supplies. The subcommittee was later advised by the Justice Department that possible violations of antitrust laws were being investigated in connection with the sale of four major categories of drugs or hospital supplies. In August 1961, three drug firms and three of their officers were indicted on charges of antitrust violations in connection with the sale of antibiotics.

V. PROJECTED PROGRAM FOR THE REMAINDER OF THE 87TH CONGRESS

Health research and training: The subcommittee will continue its surveillance of the research and training grant programs administered by the National Institutes of Health and, in addition, will give attention to the agency's policies and procedures in contracting for research.

Metropolitan area problems: The subcommittee will continue its study of intergovernmental relations with the consideration of an appropriate role for the Federal Government in meeting the governmental problems of our rapidly growing metropolitan areas. To facilitate this work, the subcommittee has invited comment from a number of prominent political scientists on a recent report by the Advisory Commission on Intergovernmental Relations on "Governmental structure, organization, and planning in metropolitan areas." It is expected that these commentaries, together with the Commission's report, will provide valuable background for public hearings and further subcommittee consideration of this important matter.

Consumer protection: The subcommittee will study Federal-State-local relationships in the field of consumer protection, with particular attention being given to activities for the protection of the public with respect to food, drugs, and cosmetics, false and misleading advertising, and deceptive practices.

Commodity Credit Corporation activities: The subcommittee will continue its investigation of CCC activities. It is anticipated that reports will be prepared on several additional phases of its investigation.

Antitrust law violations: The subcommittee will continue its examination of precautions taken to guard against violations of the

antitrust laws in connection with Government procurement and other Government programs.

Coordination of investigative and enforcement activities: The subcommittee will continue its examination of the extent to which departments and agencies having investigative or enforcement responsibility involving similar or related matters coordinate their activities in order to avoid duplication of efforts and best serve the public interest.

FOREIGN OPERATIONS AND MONETARY AFFAIRS SUBCOMMITTEE

(Hon. PORTER HARDY, JR., chairman)

I. INVESTIGATIONS

(a) Reports issued:

1. House Report No. 795, 87th Congress, U.S. aid operations in Peru, issued July 26, 1961.

This report resulted from a comprehensive study of the U.S. aid program in Peru for the period 1955–60. It was the purpose of the study to determine whether the program, during that period of time, had been administered efficiently, economically, and according to law.

The report concluded generally that the principal deficiencies in the U.S. aid program in Peru during the period 1955–58, stemmed from the combination of an entrenched U.S. operations mission director who did not measure up to his responsibilities, and the failure of ICA/Washington to exercise supervision and control over his activities.

Specifically, the report concluded, in part:

1. Drought relief:

a. The USOM director (John R. Neale) divested himself of responsibility for this program by turning over its administration almost entirely to the Peruvian Government, without the knowledge of ICA/Washington, and in the face of a warning by the then U.S. Ambassador (Ellis O. Briggs) that the local government lacked the experience and facilities to cope with a program of such magnitude.

b. Almost 25 percent of the food provided remained undistributed at the time the drought was officially declared over by the Government of Peru; almost one-half of this amount still remained in the warehouses a year later.

c. Sales of grain generated the local currency equivalent of $3,600,000. Such sales were authorized by the agreement between the United States and Peru, providing that such funds were to be used to pay the wages of drought victims employed on work relief projects. However, as a result of Neale's failure to carry out his duties as USOM director, at least 60 percent of the sales proceeds were used improperly, that is, contrary to the uses contemplated when this program was inaugurated. The lack of adequate USOM and ICA/Washington records makes it impossible to determine what portion of the balance may also have been improperly used. An instance of improper use was the unapproved construction of eight houses at Puno and their sale, below cost and on an installment basis, to prominent persons in the town.

2. Road project: A $2 million loan to Peru, intended to aid its economy through construction of a road to open isolated areas for agricultural development and colonization, was the subject of such faulty and inadequate planning that after construction had actually started the route had to be completely changed, when belated soils tests established that the area to be served by the original route was unsuitable for farming. The road finally constructed under this loan ended in the middle of nowhere—"on the side of a mountain"—at a point about halfway along the projected route, where the project ran out of funds.

3. Pampas de Noco: A $125,000 irrigation project built at Pampas de Noco does not irrigate:

a. The significance of this particular failure lies in the stubborness with which USOM Director Neale continued the project even after he had received competent technical advice that the project was not feasible.

b. The reason the project was not feasible seems incredible, in any properly planned irrigation project—it was simply that there was not enough water available in the area to make use of the projected irrigation works.

4. Conflict of interest: USOM Director Neale entered into a conflict of interest situation for personal profit when he organized and invested in the corporation, Negociacion Bazo Velarde, S.A., for the purpose of operating a farm which was receiving aid under the U.S. program. He failed to inform his superiors of his participation in this operation.

a. ICA/W had information which should have compelled the pursuit of an inquiry into possible conflict of interest on the part of Neale for some 4 years before effective action was finally taken.

b. Even at Neale's administrative hearing, where the record clearly demonstrated that Neale was in fact in conflict of interest, both Regional Director Atwood and Ambassador Achilles persisted in impressing upon the board their beliefs that Neale was simply a victim of spite on the part of complainants.

c. ICA/W investigative personnel, Thomas E. Naughten, Michael Ambrose, Robert L. Shortley, and Charles A. Gannon, all demonstrated a peculiar disinterest in determining the validity of charges made concerning Neale's conflict of interest. This performance, inconsistent with what appears to be adequate investigative experience in the backgrounds of these men, points to a conclusion that ICA did not require, nor did they employ their best talents.

5. Internal audits: A lack of adequate internal audit facilities contributed to the difficulties experienced with the program in Peru, since the USOM was frequently unaware of developing difficulties for substantial periods.

a. The failure of the USOM to submit, or ICA/W to request, the submission of such internal audit reports as were made indicates a high degree of laxity at managerial levels both in Washington and in the field.

b. There were no end-use checks made of the drought program.

6. Poor supervision: Rollin S. Atwood, regional director, Office of Latin American Operations, ICA/W, did not properly perform his functions as the official primarily responsible for the effective operations of the U.S. aid program in Peru.

7. Investigative shortcomings: The Office of the Inspector General and Comptroller and its predecessor, the Office of Personnel Security and Integrity, ignored serious charges and delayed action in cases where prompt and adequate investigation might have proved embarrassing to ICA, the USOM, or to Neale.

The subcommittee recommended:

(1) That administrative action be initiated to prevent USOM directors and other key overseas personnel from becoming entrenched, as Neale did in Peru. Consideration should be given to developing, publishing, and adhering to a rotation policy limiting the tours of duty of such personnel.

(2) That before proceeding with any project, USOM directors be required to submit to Washington evidence of its technical and economic soundness, since roads that lead nowhere and irrigation projects that do not irrigate have a reverse impact on U.S. policy objectives, and add little or nothing to the economy of the recipient country.

(3) That policies and procedures for the administration of surplus agricultural commodity programs, such as the drought relief program in Peru, be developed, published, and adhered to, including clear provisions relating to distribution, accounting, and accountability.

(4) That investigative and audit functions concerned with the aid program be improved, either through administrative action or legislative requirement, to guarantee the independence of such functions from interference by administrative officials. In this connection consideration should be given to:

a. Making the investigative and audit division chiefs directly responsible to the most senior aid officials and to no other administrative officials;

b. Giving individual auditors and investigators the right and requirement to report immediately in writing to their division chiefs any action or communication from any administrative official tending to obstruct or restrict the investigation or audit;

c. Requiring the division chiefs to forward such reports to the most senior aid official without delay;

d. Requiring division chiefs to report to the senior aid official, on a periodic basis, a record of the closing or other disposition of audits and investigative cases (other than routine security clearances) together with detailed reasons for the closing or suspending of unresolved cases.

(5) That the usefulness of internal mission audits and end-use audits be increased by requiring copies of them to be forwarded to the most senior aid officials, simultaneously with their submissions to mission directors.

2. House Report No. 1250, 87th Congress, Cambodian Port Highway: A supplemental report, issued September 21, 1961.

This report resulted from the subcommittee's inquiry into the present status of the $34 million 132-mile long Khmer-American Friendship Highway connecting the capital city of Phnom Penh with the port of Sihanoukville on the Gulf of Siam. The road, which was completed in June 1959, designed and built by American contractors and paid for by ICA, had been studied by the subcommittee in 1957–1958 and treated with in House Report No. 2012, 85th Congress, "Foreign Aid Construction Projects", issued June 26, 1958.

The subcommittee's principal findings and conclusions were that:

"On December 31, 1955, the engineering firm of Michael Baker, Jr., Inc., entered into a contract with the Government of Cambodia to design, supervise, and inspect the construction operations required to complete, in accordance with the latest U.S. techniques and methods, the above highway.

"The construction contractor, A. L. Dougherty Overseas, Inc., began operations under a letter agreement dated August 28, 1956. The construction was completed in May 1959, approximately 1 year behind original schedule, and the road was turned over to the Cambodian Government in July of that year.

"Almost immediately the road began to deteriorate, and in December 1959 a USOM highway engineer reported that the failure was due to serious deficiencies in either engineering or construction, or both.

"On the basis of evidence developed to date, ICA's engineering reports indicate that more than one-third of the road will require major repairs or rebuilding.

"The road, which was intended to be a showcase of American know-how, was so badly bungled that it has damaged our prestige, burdened us with costly repairs, and supplied the Communists with an effective source of anti-American propaganda."

The subcommittee recommended:

(1) That the Department of State and ICA keep in mind the irreparable harm that can be done to the prestige of the United States by the failure of any part of our foreign aid program. Since failure of "impact projects," such as the Cambodian highway, can be especially harmful, steps should be

taken immediately to insure the success of each through adequate and intelligent planning, execution, and administration.

(2) That the Office of the Inspector General complete without further delay the investigation necessary to fix responsibility for the road failures, and, if the findings warrant, transmit a copy thereof to the Department of Justice and the General Accounting Office for review and such action as may be appropriate.

(3) That ICA replace generalities with specific language to define the authority and responsibility delegated to USOM personnel for the exercise of control over contractual operations.

(4) That, as recommended in the subcommittee's 1958 report (H. Rept. 2012, 85th Cong., 2d sess., "Foreign Aid Construction Projects"), ICA strengthen its program of personnel integrity.

(b) Investigations not resulting in a formal report:

1. Conducted an inquiry into the circumstances of the State Department's decision to permit the display of the Panamanian flag in the Canal Zone.

2. A country study of all U.S. programs in Bolivia.

3. Reviewed the Development Loan Fund operations in Peru, Bolivia, Chile, Argentina, Brazil, and Uruguay.

4. Examination of selected development loans in countries other than Latin America as questions arose as to whether the provisions of such loans were in accord with statutory requirements.

5. Reviewed work papers of various ICA internal audits of country programs as questions arose concerning such audits.

6. Checked information received from various informants alleging foreign aid irregularities.

7. Initiated an inquiry into the extent to which ICA and the Department of Agriculture are conforming to statutory marking requirements on all commodity containers used in shipments of food surplusses under the programs of the ICA voluntary aid agencies.

(c) Monetary savings or recoveries as a result of investigation:

The principal concern of the subcommittee, especially in the case of the mutual security program, is the conservation of funds through more effective planning and more efficient practices within the agencies handling those funds. Although this produces a greater return for tax dollars spent, it does not generally lend itself to an accurate quantitative measurement of savings.

However, in the case of the Cambodian highway investigation, it is possible that the U.S. Government may recover from $2½ to $3 million from the contractors involved.

(d) Other remedial measures taken and any nonmonetary benefits:

Under date of August 18, 1961, the Director of ICA advised the subcommittee that the recommendations contained in its report "U.S. Aid Operations in Peru," are receiving the agency's most careful consideration as it proceeds with the task of organizing a new agency to carry on the mutual security program and establishing procedures for that agency. The Director stated, "In general the recommendations of the subcommittee appear to offer practical solutions to the problems noted in the report." He further stated that many recommendations previously made by the subcommittee have been adopted and have resulted in improved administration.

Following its investigation of certain road contracts which had been awarded to the contractor who built the Cambodian port highway, the U.S. Corps of Engineers disqualified that contractor from bidding on the $40 million construction of the main section of the Afghanistan regional highway project. The Corps of Engineers ruled that the firm was ineligible to bid on grounds that included poor performance in Cambodia.

During the subcommittee's inquiry into possible failure on the part of voluntary relief agencies to conform with statutory marking requirements on all commodity containers used in shipments of food surpluses under the ICA Public Law 480 program, the voluntary agency whose alleged noncompliance had caused the initiation of the inquiry, issued letter instructions to its agents to prevent the recurrence of such incidents.

(e) Days of hearings held:

	Days
1. Peru investigation	10
2. Afghanistan highway	3
3. Cambodian highway	1
4. Bolivian aid program	1
Total	15

II. LEGISLATION

(a) Number of measures referred to the subcommittee:

1. H.R. 8793, 87th Congress, by Congressman HARDY, to amend section 313 of the Budget and Accounting Act of 1921 to require the furnishing of certain efficiency records and other material to the Comptroller General of the United States.

(b) Reports issued: None.

(c) Days of hearings held: None.

III. REPORTS RECEIVED SUCH AS NOTICE OF NEGOTIATED SALES, GENERAL ACCOUNTING OFFICE AUDIT REPORTS, AND SIMILAR MATTERS WHICH ARE NOT LEGISLATION

(a) Number of each received:

The subcommittee has received 15 reports to the Congress by the Comptroller General of the United States.

(b) Action taken:

1. Audit of Federal Savings and Loan Insurance Corporation supervised by Federal Home Loan Bank Board, year ended June 30, 1960. No action contemplated at this time.

2. Audit of the Office of Defense Lending, Treasury Department, for fiscal year ended June 30, 1961. Audit disclosed no deficiencies requiring action.

3. Audit of the Federal Deposit Insurance Corporation for year ended June 30, 1960. GAO recommended amendments noncontroversial. Inquiry disclosed Treasury not pressing for legislation at this time. No action contemplated.

4. Audit of Federal home loan banks supervised by Federal Home Loan Bank Boards, year ended June 30, 1960. Audit disclosed no matters requiring action.

5. Audit of Export-Import Bank of Washington, fiscal year 1960. Audit disclosed no matters requiring action.

6. Audit of Development Loan Fund, fiscal year 1960. Report being used in connection with present study of aid program in Latin America.

7. Review of mutual security program presentation to the Congress for fiscal year 1961 for economic assistance to Korea, Pakistan, and Vietnam, Department of State. No action at this time. May be used for next session.

8. Review of negotiation and administration of selected construction and technical service contracts, ICA, Department of State, fiscal years 1958–60. Report covers most points treated in prior studies of subcommittee. Used in connection with examination of ICA Afghanistan highway contracts. No further action at this time.

9. Audit of Federal Home Loan Bank Board, fiscal year 1960. No action contemplated at this time.

10. Review of civilian and military personnel utilization in district offices and of certain military pay functions, U.S. Coast Guard, Treasury Department, June 1960. In view of recommended Treasury studies, no action by subcommittee contemplated at this time.

11. Audit of Bureau of Engraving and Printing, Treasury Department, fiscal years 1959 and 1960. No further action contemplated at this time.

12. Examination of economic and technical assistance program for Iran, ICA, Department of State, fiscal years 1956 and 1960. Reviewed and held in pending status for possible consideration next session.

13. Review of permissive activities relating to the manufacturing and taxation of distilled spirits, wine, beer, and tobacco products of the Alcohol and Tobacco Tax Division, Internal Revenue Service, Treasury Department, November 1960. Reviewed and held in pending status for possible consideration next session.

14. Review of power activities, U.S. section—International Boundary and Water Commission; United States and Mexico, Department of State, fiscal year 1958–60. Reviewed and discussed with GAO. Will follow up to determine Department of Interior compliance with GAO recommendations.

15. Examination of the economic and technical assistance program for Thailand as administered by the ICA, Department of State, under the mutual security program for fiscal years 1955 through 1960. Reviewed and held in pending status for possible consideration next session.

IV. PRIOR ACTIVITIES OF THE SUBCOMMITTEE OF CURRENT OR CONTINUING INTEREST

(a) Cumulative money savings or recoveries:

(See I(c) above.)

(b) Other affirmative benefits:

(See I(c) above.)

Under date of September 18, 1961, the Comptroller General directed a letter to the chairman of this subcommittee reading in part as follows:

"By highlighting significant deficiencies in the Peru aid program, the subcommittee has alerted the responsible agencies to the urgent need for effective supervision of all foreign aid operations and thus made an important contribution to better administration of the foreign aid program."

V. PROJECTED PROGRAM FOR THE REMAINDER OF THE 87TH CONGRESS

1. Continued study of operations of the mutual security program in several Latin American countries.

2. Continued study of marking requirements on containers used in shipment of Public Law 480 surplus food.

3. Study of certain of the functions and operations of the Office of Emergency Planning with particular emphasis on the rubber stockpiling program.

SPECIAL SUBCOMMITTEE ON DONABLE PROPERTY

(Hon. JOHN W. MCCORMACK, chairman)

I. INVESTIGATIONS

(a) Reports issued: No formal investigative reports.

(b) Investigations not resulting in a formal report:

The subcommittee, during the 1st session of the 87th Congress kept in close contact with the various executive agencies connected with the donable program as well as the State agencies for surplus property. Staff of the subcommittee has several problems under careful scrutiny and has been investigating them informally.

The staff administrator has attended several meetings this session. He attended regional meetings of the Department of Health, Education, and Welfare in Washington and Newington, Conn., a seminar at the University of Massachusetts, a dedication and meeting in Dayton, Ohio where the University of Dayton has received surplus property for their school; visited the industrial school at Piketon, Ohio, where they are using many useful items of machine tools. In July the staff administrator attended the

annual conference of the National Association of State Agents for Surplus Property at Phoenix, Ariz. En route to the meeting he stopped at Flint, Mich.; Dayton, Ohio, and the Davis-Monthan Air Force Base at Phoenix to investigate supply management operations.

The chairman of the subcommittee has requested the Secretary of Health, Education, and Welfare to cooperate with the State agencies and the subcommittee staff in investigating all possible ways of streamlining donable property administration in order to reduce costs and to contribute the maximum possible to the constructive purposes of the program. The Secretary agreed to do this; and a joint conference is planned at Seattle, Wash., during the week of October 16.

(c) Monetary savings or recoveries as a result of investigation:

During the fiscal year 1961, a total of $318,765,361 in surplus property, at acquisition cost, was received by the States. Despite the fact that a total of $318,765,361 was transferred during fiscal year 1961 and a total of almost $400 million in fiscal 1960, the Secretary of Health, Education, and Welfare states that the needs for institutions of public health, education, and civil defense, have not been met and this is readily understandable since there are at least 254,000 eligible institutions in the United States.

There is a continual expansion in the number of eligible donees as the Nation's population expands, and it would be difficult to estimate the amount of useful and needed surplus property that could be properly absorbed by these institutions.

The transfer of $318,765,361 in surplus property to donee institutions constitutes a saving to the taxpayers of many millions of dollars, since the property, if sold, would have returned no more than 5 percent on the average.

(d) Other remedial measures taken and nonmonetary benefits:

The Department of Defense has announced that the regulations have been amended to permit a longer screening time for nonreportable property to education, public health, and civil defense units. This was the result of a joint study by General Services Administration, Department of Defense, Bureau of the Budget, and the State agencies. The study was instituted as a result of a request to the Bureau of the Budget by the chairman of the Special Subcommittee on Donable Property.

On February 2, 1961, the subcommittee staff developed information that tax refunds, approximately $4 billion, are annually due on some 35 million returns. Consequently, if the submission of returns and payment of the refunds were expedited, large sums of money would be put in circulation as a stimulant to the economy. Furthermore, such a procedure would not cost anything, since the refunds are legal obligations against the Government.

A short memorandum developing this idea was prepared and the majority leader presented it at the next leader's meeting with the President. The Commissioner of Internal Revenue considered the idea favorably and issued instructions to the field to advise the public that speedy action would be given to requests for refunds. As a result, a large sum of money was placed in circulation; and this has been one of the successful recovery measures which is referred to by the President's Economic Advisers.

(e) Days of hearings held: None.

II. LEGISLATION

(a) Number of measures referred to the subcommittee: 38 bills were referred to the subcommittee.

(b) Reports issued: House Report 561 (H.R. 5096) (S. Rept. No. 271 (S. 796)), to authorize the use of surplus personal property by State distribution agencies. Passed the House July 10, 1961—passed the Senate May 26, 1961—approved July 20, 1961. (Public Law 87-94).

At the request of the chairman of the subcommittee, the staff worked with the staff of the Foreign Affairs Committee and officials in the State Department (ICA) to amend section 608 of S. 1983 (H.R. 8400) concerning the amount of domestic excess property to be made available for foreign-aid programs. As originally drafted, the bill would have permitted an unlimited amount to be taken, thus seriously affecting our own donee institutions, since the donable program is based on surplus property; that is, excess property not required for the needs of Federal agencies. Section 608, as amended, permits ICA to utilize $45 million of domestic excess property for the foreign aid programs (Public Law 87-195).

(c) Days of hearings held: None.

III. REPORTS RECEIVED SUCH AS NOTICE OF NEGOTIATED SALES, GENERAL ACCOUNTING OFFICE AUDIT REPORTS, AND SIMILAR MATTERS WHICH ARE NOT LEGISLATION

(a) Number of each received: One Executive communication, No. 174, consisting of a letter from the General Services Administration, dated December 30, 1960, was received by the subcommittee.

(b) Action taken: This report concerned the proposal of the General Services Administration to receive papers and other historical materials of former President Herbert Hoover for a presidential library at West Branch, Iowa. On March 1, 1961, the subcommittee took unanimous affirmative action to accept the proposal of the General Services Administration.

IV. PRIOR ACTIVITIES OF THE SUBCOMMITTEE OF CURRENT OR CONTINUING INTEREST

(a) Cumulative money savings or recoveries: Covered below.

(b) Other affirmative benefits: On August 31, 1961, the Secretary of Defense, Robert S. McNamara, announced the establishment of a Defense Supply Agency (DSA). This action will bring about the consolidation of several common supply and service activities in the three military departments with an anticipated savings of some $2 billion annually. This action by the Secretary stems in large part from the authority of the McCormack-Curtis amendment to the DOD Reorganization Act of 1958.

V. PROJECTED PROGRAM FOR THE REMAINDER OF THE 87TH CONGRESS

As indicated above, there has been a reduction in the amount of surplus property available for the donable program. This results from better management and utilization in the Department of Defense and by the General Services Administration in the civilian program.

It is expected that the establishment of the Defense Supply Agency will bring about still further progress in the Department of Defense and that the amount of surplus property will continue to decrease after consolidated common use inventories are brought under management control by the new agency.

It is, therefore, essential that those responsible for the donable program in the Executive and State agencies take advantage of all available surpluses for the unlimited needs of education, health, and civil-defense institutions. A program for the purpose as outlined above (I(b)), together with the analysis, evaluation, and disposition of pending bills, will constitute the projected program for the remainder of the 87th Congress.

SPECIAL GOVERNMENT INFORMATION SUBCOMMITTEE

(Hon. JOHN E. MOSS, chairman)

I. INVESTIGATIONS

(a) Reports issued:

1. House Report No. 818, "Availability of Information From Federal Departments and Agencies" (progress of study, July-December 1960), issued July 28, 1961.

A major purpose of this report is to record the results of the subcommittee investigation during the last 6 months of the 86th Congress into improper restrictions on Government information. Also included in the report is an analysis of the Executive order establishing the system of restrictions on military information and a case study of a dramatic resolution of an attempt to use the claim of Executive privilege to withhold information from Congress.

Of the 28 cases discussed in this report, definite improvements in information availability can be reported in 11 instances. In 12 cases there was no change in the policy of restriction, and mixed results characterize the remaining 5 cases.

Improvements in information availability

1. The Department of Defense after long delay promulgated a directive establishing an automatic time-ladder method of downgrading various kinds of classified documents.

2. The Department of Defense modified a basic form used in the industrial security program in order to prevent needless and wasteful overclassification.

3. The Air Force abandoned its attempt to keep from the public the names of generals qualifying for flight pay without the necessity of flying.

4. The Air Force completed a lengthy review of questionable material in one of its training manuals and rescinded the publication in question.

5. The Navy conceded that one of its censors had been "overzealous" in deleting material from a manuscript submitted for security review.

6. The Navy reconsidered its claim of secrecy for the prices paid manufacturers of jet aircraft engines and made public all such information except classified data.

7. The Navy expunged from the records of Navy Band members adverse entries made in retaliation against their criticizing the handling of information about the air crash at Rio de Janeiro.

8. The Department of Labor reversed the policy under which it had kept secret the facts about growers found guilty of violating the Mexican labor agreement.

9. The Coast Guard reaffirmed its intention to make available to the public as soon as possible information about violations of the Motorboat Act.

10. The Atomic Energy Commission finally released to Congress and the public photographs of the 15-year-old nuclear bombs, many years after they had been declassified.

11. The White House revised the basic Executive order setting up the military classification system so as to limit the number of agencies which can restrict information.

Continued restrictions on information availability

1. The Department of Agriculture persisted in contending that the people have no right to know about Govenment contracts.

2. The Department of Agriculture refused to make available to the public minutes of an advisory committee meeting dealing with management of national forest land.

3. The Army admitted it had managed release of information about helicopter test results in order to gain publicity, and denied that such news management infringed on the people's right to know.

4. The Navy refused to provide materials needed by Congress for a study of Navy information clearance procedures.

5. The Department of Interior withheld a procedural memorandum from the public despite questions raised as to its authority to do so.

6. The Department of Labor persisted in its refusal to provide Members of Congress or the public information about out-of-court settlements of wage-hour violations.

7. The Department of State refused to review newly imposed restrictions on availability of historical documents to scholars and students.

8. The Internal Revenue Service formalized the policy of cloaking in secrecy the names of persons or firms commenting on proposed changes in tax regulations.

9. The District of Columbia Commissioners declined to open their legislative meetings to the public, claiming that the law is silent on the matter.

10. The Federal Aviation Agency refused to discontinue its discriminatory policy among news media and make available tape recordings of commercial airplane crash sounds.

11. The Federal Aviation Agency continued to withhold from State aviation agencies reports of probable cause of airplane accidents.

12. The U.S. Information Agency, backed up by President Eisenhower, refused to make available to Congress public opinion polls obtained at public expense.

PARTIAL IMPROVEMENT IN INFORMATION AVAILABILITY

1. Although the Army conceded that a press dispatch had been improperly censored by one of its civilian personnel, it did nothing to correct the situation except issue a brief memorandum.

2. The Army finally released to the public an unclassified report that it had been requested by another agency to suppress, but in doing so maintained that it had the right to withhold such information.

3. The Army refused to make public information about unsuccessful bids, although the information was given to a Member of Congress, thus reversing an earlier refusal.

4. The Army withheld, until 1 day after the election, an unclassified report analyzing testimony given in public before a committee of Congress.

5. The Post Office Department clarified regulations on withholding certain personnel information but declined to seek specific statutory authority for the withholding.

* * * * *

2. House Report No. 1215, Availability of Information From Federal Departments and Agencies (Telephone Monitoring), issued September 19, 1961.

This report lists the results of a questionnaire sent to 37 Federal agencies on the practice of monitoring Government telephone calls which is not a planned development; it has just grown. Usually under no regulations—often without even the knowledge of responsible officials—it has become commonplace for a secretary or an electronic recording device to be listening in on many Government telephone calls.

A table summarizes the telephone monitoring practices in the 37 Federal agencies contacted. For purposes of the inquiry, telephone monitoring was defined to include electronic transcriptions as well as "a secretary or any other person being on the line for the purpose of taking either a verbatim or partial transcript of the conversation, whether or not the person on the other end of the conversation is notified of the monitoring." The summary shows that "33 of the 37 Federal agencies permit telephone monitoring; 21 have no regulations controlling telephone monitoring; 17 do not always require the other party to be warned a call is monitored."

As a result of the subcommittee's inquiry, many Government agencies apparently took a careful look at telephone monitoring practices for the first time. Seven agencies established telephone monitoring regulations after the inquiry, for example.

After the subcommittee's inquiry was initiated, reports were received that many Government telephones were equipped with special listening-in devices. Two systems in use are the transmitter cutoff switch installed on Government telephones for an extra charge of 25 cents a month and the listening-in circuit which costs 75 cents a month extra.

In view of the facts uncovered in the survery of telephone monitoring practices, the House Government Operations Committee concluded that—

Big brother may not be watching you, yet, but his secretary probably is listening in on your telephone calls to Government agencies. This telephone eavesdropping should be banned and all types of listening in should be tightly controlled by clear regulations which, at the very minimum, require Government officials to warn callers of telephone monitoring. When this is done it is unlikely that the Government will have to run up a monthly telephone bill for secret snooping devices to permit telephone eavesdropping.

The committee states that a complete survey of telephone monitoring practices in Federal Government is indicated to determine, among other things, exactly how many telephone listening-in devices the Government rents. The committee recommended that:

1. Every Government agency should control telephone monitoring by clear, written regulations.

2. The regulations should ban telephone eavesdropping.

3. The regulations should ban use of recording devices unless there is advance notice to the other party.

4. The regulations should clearly specify that advance notice must be given whenever a secretary or any other person is placed on the line for any purpose whatsoever.

* * * * *

3. House Report 1257, "Availability of Information From Federal Departments and Agencies" (progress of study, January–August 1961), issued September 22, 1961.

This report results from a decision, early in the 87th Congress, that the same procedures the subcommittee had followed in past studies would be employed with the new administration. Such a decision followed naturally from earlier findings that the problem of secrecy in Government is not a partisan one, but stems from the nature of bureaucracy as well as from the ever-present influence of military secrecy. Therefore, the subcommittee set out to investigate reports of continuing restrictions on the availability of information from Federal departments and agencies, to confer with the new administrators and executives on these restrictions, and to report the results of its studies to the committee and the Congress.

There were information problems left over from the previous administration in some 13 Federal departments and agencies. In addition to bringing these to the attention of the new administration, the subcommittee also worked on an equal number of new information restrictions which developed after the present administration took over. This report covers the attempts to clear up past information problems as well as the efforts to remove new information restrictions which arose during the first 8 months of the present administration.

The report includes a summary of each of the 34 information cases covered, a section setting forth findings and conclusions based on the cases, and a section covering the details of each of the cases.

The report states that most of the leftover information problems have been solved. Action came in nearly every case after a reminder from Congress of the President's unequivocal stand on freedom of information. And in those cases where congressional pressure was not enough, the weight of the White House was added to help reestablish the people's right to know.

Commenting on new information problems which have arisen this year, the report states that the experience of the present administration with its own information problems shows that a thin veneer of new leadership, superimposed on the massive bureaucracy, is not enough to prevent secrecy-minded career officials from equating secrecy with good government. But day-by-day pressure from above can prevent secrecy from becoming a way of life in government.

In a special comment on military information problems, the report concludes that the reaction of the new officials of the present administration, as they faced the military-security information problems which have plagued democratic government since its inception, appeared to be confusion at first, followed next by a desire to hide the ugly facts on international life from the American public, and finally by a firm resolve to protect the people's right to know both the good and the bad. Translating that resolve into effective information practices is one of the crucial challenges the new administration faces.

(b) Investigations not resulting in formal report:

Additional subcommittee activities, not covered in the formal reports, include extensive assistance to Members and committees of Congress, and Members of the House and Senate in removing restrictions on information and solving related problems. Similar assistance has been provided regularly for other researchers and historians. Specific investigations also have been made of the following matters:

1. The head of the Federal Bureau of Prisons, Mr. James V. Bennett, took steps to force a broadcasting company and a number of local television stations to make changes in certain episodes of "The Untouchables."

2. Comdr. John James, USN, was relieved of his duties in the Clearance Branch, Office of the Chief of Information, following clearance of a magazine article. The Navy contended the action was a routine administrative shift.

3. The Air Force delayed announcing the cause of the crash of a B–52 in northern California, later reporting the crash due to gasoline shortage caused by a number of complicating circumstances.

4. The Federal Communications Commission, in letters to thousands of local radio stations, attempted to impose "national defense" secrecy restrictions on seemingly routine data. Investigation revealed, however, that the Commission had a unique problem, because certain information could apparently not be protected in a manner authorized by the appropriate Executive order.

5. The Upper Colorado River Commission, an agency set up under an interstate compact consented to by Congress and chaired by the representative of the United States, excluded the public from a meeting at which the Commission approved a proposal by private power companies.

6. The Weekly News Digest, circulated to more than 4,000 persons nationally from headquarters of the Office of Civil and Defense Mobilization, was accused of putting a partisan slant on news items. Changes in the operation of the magazine were expected with the change in administration.

7. C. Darwin Stolzenbach, head of the National Capital Transportation Agency, criticized for holding closed meetings on transportation problems, promised at his swearin ceremony to follow an open door policy.

8. News photographers were summarily barred from a Military Sea Transportation

Service ship involved in a fire at a San Francisco pier. Following the subcommittee's investigation, a change in Navy public information practices in the San Francisco area was promised.

(c) Monetary savings or recoveries as a result of investigation:

The value of breaking down the barriers of unnecessary Government secrecy often cannot be measured in dollars and cents, for the action contributes to an informed public and an effective democracy. Occasionally, however, it is possible to estimate direct monetary savings.

Such is the case with the decision by President Kennedy to follow the often repeated recommendations of the House Government Operations Committee and establish a system for routine declassification or downgrading of security documents filling thousands of Government file drawers. His Executive Order 10964 affects classified documents in storage and those in current use. It also makes unnecessary the use of expensive insulated safes. An economic analysis of the effect of the order disclosed that the reduction of unnecessary secrecy surrounding stored security documents will save the Government an estimated $48,000 a year. The new system for handling current security documents will save $712,500 a year, and the estimated annual savings on safes will be $248,000. Thus, this single action by the President—an action following up on recommendations made by the committee since 1958—will save an estimated $1,008,500 a year.

In another area substantial savings can be expected. The report on telephone monitoring practices (H. Rept. 1215) already has resulted in some administrative changes and more are expected. As a result of the report, for instance, the Health, Education, and Welfare Department disposed of telephone monitoring devices, resulting in an immediate saving of $1,500 a year.

(d) Other remedial measures taken and nonmonetary benefits:

Improvements in Government public information practices resulted from each of the investigations noted above; such changes are noted in each case.

(e) Days of hearings held:

No hearings were held.

II. LEGISLATION

No legislation was referred to the subcommittee.

III. REPORTS RECEIVED SUCH AS NOTICE OF NEGOTIATED SALES, GENERAL ACCOUNTING OFFICE AUDIT REPORTS, AND SIMILAR MATTERS WHICH ARE NOT LEGISLATION

Because of the subcommittee's close work with GAO officials on problems of access to information, audit reports on other matters, when they also deal with information problems, are sent to the subcommittee in addition to their being referred to the subcommittees primarily concerned. The following three reports were received, and an investigation of the information problems is underway.

1. Examination of economic and technical assistance program for Iran.

2. Review of selected activities of the Bureau of the Budget.

3. Examination of economic and technical assistance program for Thailand.

IV. PRIOR ACTIVITIES OF THE SUBCOMMITTEE OF CURRENT OR CONTINUING INTEREST

Many of the subcommittee's activities this year are an extension of investigations initiated in prior years. Among the continuing benefits is an estimated annual saving of $400,000 resulting from Defense Department action in late 1958 removing unnecessary restrictions from historical military documents.

V. PROJECTED PROGRAM FOR THE REMAINDER OF THE 87TH CONGRESS

Each one of the past investigations which has not resulted in removal of unjustifiable information restrictions is continuing; in addition, work will be done on new information problems expected to arise.

SPECIAL SUBCOMMITTEE ON ASSIGNED POWER AND LAND PROBLEMS

(Hon. JOHN E. MOSS, chairman)

I. INVESTIGATIONS

(a) Reports issued: None.

(b) Investigations not resulting in a formal report:

1. Kennecott Copper land exchange: The subcommittee is investigating allegations that the Bureau of Land Management exchanged public land worth about $493,000 for land worth less than $4,400, notwithstanding an alleged trespass on the public lands by building a town on the public lands under the guise of a mining lease.

2. Withholding of Central Valley power from Sacramento Municipal Utility District: The subcommittee is investigating charges that the top officials of the Interior Department in the previous administration refused to allow the Sacramento Municipal Utility District, a preference customer, to obtain power from the Central Valley project in California in excess of the district's allotment at a time when substantial quantities of power were being sold to the Pacific Gas & Electric Co., which is not a preference customer, thereby forcing on the district liability that may reach $990,000 a year during the next 10 years.

3. Increase of dependable power of Central Valley project: The generation of additional power that will begin in 1963 in the Trinity plants of the Central Valley project requires early action to redetermine the dependable power that will be available to preference customers of the Central Valley project and thereby increase the power revenues of the Government. This redetermination must be effected pursuant to the power and sales contract between the Bureau of Reclamation and the Pacific Gas & Electric Co. The subcommittee has been keeping a watchful eye on this matter. Unless the redetermination is made promptly and at the maximum possible level, the Government will not obtain maximum revenues from the additional power that will soon be available for sale to preference customers.

4. Water rights in Death Valley National Monument: The subcommittee is actively investigating charges that the Borax Co. in Death Valley National Monument has been illegally using water belonging to the Government and thereby also preventing the National Park Service from developing recreation facilities and public accommodations for which water must be available, as well as charges of malfeasance by certain officials in connection with the disposal of land and water rights in Death Valley National Monument.

5. Electric utility mergers: The subcommittee gave considerable study to the increasing trend toward mergers of electric utilities and the question as to whether the Federal Power Commission is applying adequate and proper criteria in reviewing applications filed in the Commission for merger of electric utilities pursuant to section 203 of the Federal Power Act (16 U.S.C. 824b).

6. Operations of U.S. Park Police: The subcommittee has been investigating charges concerning maladministration, misfeasance, and wasteful expenditures in the operations of the U.S. Park Police. This police force, consisting of almost 200 men, performs police functions in the National Capital Parks of Washington, D.C., and its environs, as a unit of the National Park Service. In conducting this investigation, the subcommittee has cooperated with other congressional committees and Members of Congress interested in improving the operations of the U.S. Park Police, as well as with the officials of the Interior Department who have responsibility over the Park Police. Following the subcommittee's initiation of its investigation, the Interior Department adopted a new promotion policy for senior police officers, began to consider the filling of several senior positions that had been kept vacant for almost 2 years, and began to reexamine the function and objective of the police force to increase its efficiency and economy. The inevstigation of the Park Police has not been completed. The subcommittee also cooperated with the subcommittee on National Parks of the House Interior and Insular Affairs Committee in drafting proposed legislation to establish a trial board for the Park Police (H.R. 8567).

7. Electric power contract and Yellowstone National Park. The subcommittee has continued to prod the Department of the Interior to complete the restudy of the contract awarded by the Interior Department to the Montana Power Co. in 1959 for supplying electric power to Yellowstone National Park. The subcommittee's study and hearings during the 86th Congress (See H. Rept. No. 1932, 86th Congress, June 22, 1960) had revealed serious errors in the calculations which formed the basis for the negotiations with the company. But to date the Department has not revealed the results of the restudy.

8. Bonneville—California power intertie: During the 86th Congress, the subcommittee intensively examined into a proposal by the Interior Department to sell Bonneville project power at dump power prices to the Pacific Gas & Electric Co. The subcommittee's study revealed that the proposed contract would probably be contrary to the public interest, and the subcommittee therefore requested the Department to withhold approval of the contract until after a full and independent study could be made of an alternative proposal to construct an extra-high voltage common carrier transmission line between the Pacific Northwest and California. The proposed contract was deferred, and finally abandoned, as a study States of California, Oregon, and Washington, showed that the public interest could best be served by construction of the extra-high voltage common carrier transmission line to interconnect the Bonneville and California electric systems. The Department of the Interior initiated a restudy of its previously limited analysis of such an intertie, and it is expected that the Department's report will be available shortly before the beginning of the 2d session of the 87th Congress. This report will be intensively scrutinized by the subcommittee.

9. In addition, the staff of the subcommittee cooperated with the staff of the full committee in preparing preliminary correspondence for the committee chairman on the following matters:

a. Yosemite Park and Curry Co. contract: Charges by the Comptroller General that the Yosemite Park and Curry Co. has, under its National Park Service concession contract, received commissions totaling $976,250 from a single subconcessionaire while paying less than half this sum to the Government as franchise fees for its entire concession operation during the past 18 years.

b. Minerals in railroad grant lands: Charges that public lands were patented to a railroad without investigation of the mineral character of the land, that the valuable minerals in the land still belong to the Gov-

ernment, and that the railroad has no right to exploit the minerals.

c. Contracts for professional engineering services: The propriety of certain contractual agreements for professional engineering services that ordinarily are performed by full-time Government employees.

d. Control of fires in coal deposits: The adequacy of the efforts of the Bureau of Mines to control fires in coal deposits on public lands and also in nonpublic lands. These fires consume large quantities of coal annually and create considerable danger to people, to property, and to natural resources.

e. Alleged conflict of interest in National Park Service: Charges that a park superintendent has received gifts and other personal favors from a concessionaire whose operations are subject to supervision by the superintendent.

10. Contract for electric service for Missileman bases in South Dakota: In the course of the subcommittee's work on other matters, an allegation was received that the Department of the Air Force was about to make contracts for electric service to missileman bases in South Dakota, the effect of which would be to endanger the Government's security in Government loans to several rural electric cooperatives amounting to more than $12,449,000. As the result of a subcommittee inquiry, further examination of the several proposals made by the respective bidders resulted in contracts which preserved the security of these loans, and also resulted in reductions in the price of the power to be supplied under the contracts, thereby saving the Air Force $621,229 to obtain the same amount of power over a 10-year period as compared to the lowest bid initially made.

(c) Monetary savings or recoveries as a result of investigation:

Sizable benefits can be expected to flow from the investigative work of the Special Subcommittee on Assigned Power and Land Problems; however, not all of these benefits can be readily translated into dollar figures. In addition, since much of the investigative work is continuing, it is impossible to determine at this time the money savings or recoveries resulting therefrom. An indication of the saving, however, is that resulting from the subcommittee's inquiry on the contract for electric service for Missileman bases in South Dakota, the Air Force will save $621,229 as a result, over a 10-year period.

(d) Other remedial measures taken and nonmonetary benefits:

See I.(b) above.

(e) Days of hearings held:

None.

II. LEGISLATION

The subcommittee handled no legislation directly, but did cooperate with other committees on various bills during the session, as noted above.

III. REPORTS RECEIVED SUCH AS NOTICE OF NEGOTIATED SALES, GENERAL ACCOUNTING OFFICE AUDIT REPORTS, AND SIMILAR MATTERS WHICH ARE NOT LEGISLATION

No General Accounting Office reports were referred to the subcommittee. A few were reviewed for incidental interest.

IV. PRIOR ACTIVITIES OF THE SUBCOMMITTEE OF CURRENT OR CONTINUING INTEREST

See above.

V. PROJECTED PROGRAM FOR THE REMAINDER OF THE 87TH CONGRESS

Work will continue on the following matters assigned to the subcommittee: Death Valley National Monument.

Withholding of Central Valley Power from Sacramento Municipal Utility District.

Increase of dependable power of Central Valley project.

U.S. Park Police.

Comparative costs of direct transmission of power to preference customers of the Bureau of Reclamation at various projects, including Deer Creek project in Utah, Central Valley project in California, and elsewhere.

Kennecott Copper land exchange.

Role of Federal Power Commission in reviewing applications for merger of electric Utilities.

Electric power contract for Yellowstone National Park.

Bonneville—California Power Intertie.

SPECIAL SUBCOMMITTEE ON THE FEDERAL HOME LOAN BANK BOARD

(Hon. JOHN E. MOSS, chairman)

I. INVESTIGATIONS

(a) Reports issued: None.

(b) Investigations not resulting in a formal report:

The subcommittee has undertaken a complete and comprehensive investigation and study of the organization, operations, practices and procedures of the Federal Home Loan Bank Board and its constituent agencies, Federal Savings & Loan Insurance Corporation and the Federal home loan banks.

Relative to its previous activity in the 86th Congress, the subcommittee held 2 days of hearings, April 27 and 28, 1961, dealing with the bank board's seizure of the Long Beach Federal Savings & Loan Association, Long Beach, Calif. These hearings dealt exclusively with the Bellehurst Development. Testimony was received from C. S. Jones, the majority stockholder of the Bellehurst Development, and George A. Hart, Jr., attorney for the various corporations developing the Bellehurst tract.

In August, hearings were held in which testimony was received from two parties complaining of the operation of the bank board with respect to its supervisory and regulatory functions. These two parties were George West, Sr., chairman of the board of First Federal Savings & Loan Association of Atlanta, Ga.; and Robert R. Mullen, president of the Alice Savings & Loan Association, Alice, Tex.

Testimony was also received from employees and agents of the ninth bank board district relative to the board's role in supervising the Alice Savings & Loan Association and in an indictment of Robert R. Mullen that was later dismissed on motion of the defendant. The facts developed in connection with the indictment indicated a need for a searching investigation of the role of bank board personnel with other agencies of the Federal Government—the Department of Justice, the U.S. attorney in Houston, Tex., and the Internal Revenue Service.

The hearings occupied a total of 8 days, August 11, 14, 15, 21, 22, 23, 24, and 25, 1961.

The August hearings indicated a need for further investigation of bank board activities with respect to the Atlanta association and with respect to its activities in a number of other localities. Staff investigators will be sent to the field to study complaints channeled to the subcommittee through several Members of Congress.

(c) Monetary savings or recoveries as a result of investigation: The subcommittee's activities have been directed toward an improvement in the bank board's practices and procedures. Although dollar savings might result from such improvements, it would be difficult to state the result in terms of specific amounts.

(d) Other remedial measures taken and nonmonetary benefits: It is difficult at this time to say with any certainty what benefits will be attained as a result of the investigation and activities of the subcommittee. It is expected, as a result of the subcommittee's activities, that the position of the board with respect to its supervisory and regulatory responsibilities will be improved; that various apparent deficiencies will be corrected; that the savings and loan industry will benefit from a clearer pronouncement of the operating standards and practices promulgated by the board; and that the efficiency and economy of the Federal Home Loan Bank Board and its constituent agencies in fulfilling its legislative responsibility will be improved.

(e) Days of hearings held: Hearings were held for 10 days during 1961, April 27 and 28 and August 11, 14, and 15 and August 21–25.

II. LEGISLATION

(a) Number of measures referred to the subcommittee: None.

(b) Reports issued: None.

(c) Days of hearings held: None.

III. REPORTS RECEIVED SUCH AS NOTICE OF NEGOTIATED SALES, GENERAL ACCOUNTING OFFICE AUDIT REPORTS, AND SIMILAR MATTERS WHICH ARE NOT LEGISLATION

Not pertinent.

IV. PRIOR ACTIVITIES OF CURRENT OR CONTINUING INTEREST

(a) Cumulative money savings or recoveries: None.

(b) Other affirmative benefits: The Federal Home Loan Bank has informed the subcommittee that a settlement of all outstanding disputes and differences between it and the Long Beach Federal Savings & Loan Association, going back some 17 years, is imminent.

V. PROJECTED PROGRAM FOR THE REMAINDER OF THE 87TH CONGRESS

The staff will undertake to study the complaints received by the subcommittee regarding the operations, practices, and procedures of the Federal Home Loan Bank Board. Conferences with Bank Board officials will be held when necessary relative to matters of common interest.

Consideration is being given to holding hearings during the present recess period.

Hearings will be scheduled, after Congress reconvenes in January 1962. It is expected that past and future hearings will result in one or more reports.

Government Competition With Private Enterprise

EXTENSION OF REMARKS

OF

HON. JOHN MARSHALL BUTLER

OF MARYLAND

IN THE SENATE OF THE UNITED STATES

Wednesday, September 27, 1961

Mr. BUTLER. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD a statement by me concerning Government competition with private enterprise.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT OF SENATOR BUTLER

There are certain basic and fundamental objectives for national policy which are recognized by all of our citizens. The first is the stimulation of the growth in our economy. By that, I mean real growth measured in terms of increased output of the goods, and services our people need.

We also seek an economy where fair competition provides the regulator of all economic activity. The Sherman Act, the Clayton Act, the Federal Trade Commission Act, and the Robinson-Patman Act were devised to create a climate in which our private enterprise system could grow and prosper. There are some basic inconsistencies among these different laws, but the Congress

adopted them because of a universal and widely accepted belief in a competitive, market-oriented economy, protected from monopoly control. This is the only system that stimulates producers to ever-greater efforts. Likewise, it provides consumers, including the Federal Government, with maximum values.

Still another objective which each of us seeks is the widest possible tax base to support the many essential services that can best be performed by our 50 States and the local governments which have been created under State constitutions. In these troubled times when heavy tax burdens are imposed upon the American people to meet the ever-growing demands of the cold war, there are compelling reasons to eliminate any activity performed by the Federal Government which private enterprise can conduct more effectively and at a lower cost.

Now that the 1st session of the 87th Congress has adjourned, it is well to reexamine these three objectives which I believe are accepted by all Americans. It is my firm conviction that the growth of our economy in a true sense can best be advanced by unleashing the initiative of private enterprise. Many distinguished economists who have examined the American economic system have stressed the fact that the individual decisionmaking centers found in the millions of American enterprises provide a stimulus for new ideas, new methods, and more effective production. This does not occur in an economy where final judgment is centered in the government. Under our constitutional system, the Federal Government was never intended to undertake business-type activities in competition with its citizens.

Today the Government is the largest single employer in the United States. It owns more real estate and it conducts complex financial operations permeating every area of our economy. A reexamination of these activities is clearly a means of promoting economic growth.

The second objective—the preservation of a competitive economy—presumes an absence of monopolistic power in any sector. The antitrust laws, which are vigorously enforced, assure that no private enterprise will be allowed to restrain the activities of a competitor, large or small. However, if the Federal Government becomes a competitor, the antitrust laws do not apply. Whenever it engages in any activity that is competitive with private firms, its resources are unlimited. It is not subject to the normal regulatory and judicial restraints; its industrial relations policies are not subject to review by the National Labor Relations Board; and its financial operations are not subject to the accounting rules and regulations imposed by the Internal Revenue Service nor are they subject to the approval of the Securities and Exchange Commission or other regulatory bodies

Americans have accepted the premise that competition is the most effective means of promoting the interests of consumers. Every fairminded person therefore will agree that it is virtually impossible for any firm to compete with the Federal Government.

Mr. President, the third objective is the widest possible tax base to support essential local services. For many years, I have consistently opposed the expansion of the Federal Government into areas such as Federal aid to education and other welfare measures. I am not unmindful of the need to provide the best possible training for coming generations of Americans. However, I am convinced that education and countless other matters can best be undertaken by State and local governments and should not be under the domination of the Federal Government.

Those who advocate Federal programs in these areas justify their position on the supposed inability of States and local communities throughout our great Nation to finance adequate programs. I propose to assist the States in securing the necessary revenues by eliminating activities presently conducted within their borders by the Federal Government. They provide little or no tax support to the States and the communities where these Federal operations are conducted. If private enterprise which does not enjoy a tax exemption supplies the same services to the Federal Government, we are providing immediate assistance to the States. This does not require either increasing the national debt or raising the level of Federal taxation. Furthermore, any profits which private enterprise may earn in the performance of these activities will add to Federal revenues.

Mr. President, for many years the subject of Government competition with private enterprise has been studied and reviewed by the Congress. It established the Hoover Commission in 1953 to study the organization of the executive branch of the Government. The Commission made an extensive appraisal of business enterprises within the Government.

The members of this Commission whose efforts were coordinated by former President Hoover included two of my colleagues, one a Republican, the senior Senator from New Hampshire, and the other a Democrat, the senior Senator from Arkansas. It also included two distinguished Members of the other body, again one a Republican, Representative CLARENCE J. BROWN, of Ohio, and the other a Democrat, Representative CHET HOLIFIELD, of California. Among the 12 dedicated Americans who served on the Commission were 2 outstanding Democrats, James A. Farley and Joseph P. Kennedy. They all supported the basic recommendations of the Commission in the report on business enterprises submitted to the Congress by the Chairman, Herbert Hoover, on May 4, 1955.

The views of the Commission with respect to this broad problem of Government competition with private enterprise are as valid today as they were in 1955. The excerpts from the preface of this report is as follows:

"PREFACE

"Our economic system is based on private enterprise regulated where necessary to prevent monopoly and to provide for freedom of competition.

"The genius of the private enterprise system is that it generates initiative, ingenuity, inventiveness, and unparalleled productivity. With the normal rigidities that are a part of Government, obviously, the same forces that produce excellent results in private industry do not develop to the same degree in Government business enterprises.

"The Government creates business-type enterprises in economic emergencies, in the emergencies of war, and for the development of projects which are not adapted to private enterprise because of their nature or their magnitude. A very large portion of the Government business enterprises originated in World War I, the depression, and World War II.

"One of the major problems before us is the continuation of Government business enterprises after the emergency that engendered them has terminated. One reason that these agencies tend to perpetuate themselves is that by the time their tasks have been completed their personnel and the citizens in the communities where they operate resist termination. As a consequence, all too often they continue to function long after the original need has passed and even though the operation of many of them is not in the public interest.

The Government business-type enterprises, except in a few instances, pay no taxes, and pay little or no interest on the capital invested; they seldom charge depreciation and frequently their directing personnel is not included on their payroll. Likewise the "fringe benefits" of Government personnel in most instances are not included in their costs. Moreover, in addition to the fact that most of them pay no taxes, they deprive the Government of taxes which would otherwise be paid by private enterprise if it conducted these operations. Therefore, their claims of financial success are often wholly invalid; and, worse, with the advantages they receive from the Government, they are unfair competition.

"Because of vested interests, misleading or incomplete accounts, or other reasons, some of these enterprises have established an astonishing longevity.

"A classical case of this phenomenon dating from World War I was the Inland Waterways Corporation, which survived for 33 years—and lost money practically every year. It was typical of the vested interests created within and around it.

"The continuance of such activities by the Government must be made subject to rigid justification; occasionally this can be done, but the burden of proof in all instances must be on the Government. Unjustified continuance is a definite injury to the vitality of the whole private enterprise system.

"Aside from the fundamental public policy of maintaining an economic system which has produced the highest standard of living for a whole Nation in all the history of mankind, this system has also amply proved its vitality in preparedness for national defense. It provided inventiveness and productivity which, second only to the valor of our officers and men, have won for us both World War I and World War II. It can, in another such emergency, provide again the national sinews to win.

"It is on these principles that this report is based.

"Yet as this report will show, the Government is conducting a multitude of projects in competition with and to the injury of the very system upon which our future security and prosperity is based.

"While this report was being prepared, the Department of Defense has reviewed the activities of the Department in reducing competition with private enterprise. They enumerate 97 facilities in 20 categories, the elimination of most of which is recommended specifically by our report, which have either been discontinued or scheduled for discontinuance. The action of the Department of Defense is most constructive."

President Eisenhower proceeded to implement the philosophy expressed by the Hoover Commission throughout the Federal Government. Great progress was made in eliminating many business-type activities which were still being conducted by the Federal Government. At one time or another, there had been a justifiable reason for the Federal Government to embark upon these activities. However, bureaucracy is slow to change, and many of these functions continue in operation even though the need for which they were authorized has been fulfilled.

The U.S. Spruce Products Corporation, organized during World War I to provide spruce for airplane fusilages, provides one of the more conspicuous examples of such a practice. Its functions were abolished by an act of Congress a few years after the close of World War I, but in 1946, the corporation still had a president, a secretary, a treasurer, a car, and a chauffeur. The Reconstruction Finance Corporation, liquidated by act of Congress in 1957, was provided with $65,000 for administrative expenses of liquidation in the President's 1962 budget.

The Bureau of the Budget during the Eisenhower administration issued directives in January of 1955 and supplemented them

on February 5, 1957, and again on September 21, 1959. They clearly stated the basic policy which should guide every agency of the Government in a reexamination of those activities which compete with private enterprise. I shall quote at this point directly from the policy as expressed in Bulletin No. 60–2 of September 21, 1959.

"It is the general policy of the administration that the Federal Government will not start or carry on any commercial-industrial activity to provide a service or product for its own use if such product or service can be procured from private enterprise through ordinary business channels."

During the Eisenhower administration the Federal Government sold to private interests the Federal Inland Waterways Corporation, which operated barge lines on the Mississippi and Ohio Rivers. It also sold the entire synthetic rubber industry which was built during World War II. The national industrial reserve of plants and industrial equipment, under the Department of Defense, had 24 facilities in its plant reserve in 1959. Early in 1961, there were only 13, of which the Government owns only 3.

In President Eisenhower's last state of the Union message, he said:

"There has been a firm policy of reducing competition with private enterprise. This has resulted in discontinuance of some 2,000 commercial and industrial installations and, in addition, the curtailment of approximately 550 industrial installations operated directed by Government agencies."

Now that a new administration has been in office for more than 8 months, the extent to which Government competition with private enterprise has been reduced or increased should be studied. Unfortunately, my examination of the record suggests that the Federal Government is once more embarking on programs which will provide further competition between the Federal Government and private enterprise rather than reducing it.

For example, during the closing days of this session, the Congress enacted an appropriation bill for public works, which provides funds to enable the Federal Government to build the transmission lines for the Colorado River storage project. If private enterprise were entrusted with this task, it is estimated that at least $61 million in Federal taxes and $107 million in State and local taxes would be collected over a 50-year period. Furthermore, $135 million in Federal construction funds would have been saved over the next few years at a time when the demands of national defense are so high. On the other hand, it is fortunate that the House of Representatives rejected the Senate's recommendations for the inclusion of a power reactor at Hanford, Oreg., in the atomic energy authorization bill for the coming year.

There are countless other activities which experience clearly shows could better be performed by private enterprise than through an expansion of business-type activities by the Federal Government. For example, the Defense Department operates air and sea transport services which often compete with private carriers.

Over the years, I have frequently referred to the obvious competition of Navy yards with private shipbuilding facilities. At the present time, more than 80 percent of conversions, alterations, and repairs to naval vessels are performed in naval shipyards. As a result of this competition, five major private facilities on the Pacific coast have been forced out of business since 1957.

To be sure, the Navy must maintain certain basic facilities to meet its needs in times of war. This has been the justification advanced for the continued operation of many shipbuilding and repair operations at a lower cost and more efficiently by existing private firms.

Is the basic concept that only Government facilities can meet wartime needs valid? Certainly, recent history reveals the fact that in every emergency it was necessary to turn to private shipyards and to expand them at an ever-increasing rate at great cost to the Government in order to meet the Navy's needs for new ships and the repair of battle casualties. This would lead to the conclusion that it is essential for the security of our country that private shipyards secure sufficient work at all times to maintain a trained and capable workforce which can furnish the base for necessary expansion in times of need. Fortunately, existing facilities are located along the sea coasts at strategic points, and they have always been at the disposal of the Federal Government.

The operation of naval shipyards which compete with private facilities immobilizes officers whose primary concern should be centered on military functions which are clearly outside the competence of civilians. Instead they are performing managerial functions for which their training and experience is inadequate. I fully recognize the need to maintain naval shipyards in certain locations where private facilities are not available and where national defense needs clearly justify their continuance or expansion.

In citing this competition between the U.S. Navy and private shipyards, I am merely using it as an example of the type of activity which must be constantly restudied in the light of the recommendations of the Hoover Commission. They have never been officially repudiated by any member of that dedicated group. They were accepted by President Eisenhower and implemented by the Bureau of the Budget.

The time has come when the Congress must once again take such steps as may be necessary to insure that every business-type activity presently conducted by the Federal Government is scrutinized with a view toward only maintaining those that are clearly necessary. Whenever it appears that private enterprise would be a more effective and less costly instrument of production, steps should be taken at least to permit it to demonstrate what could be accomplished with an environment conducive to securing its maximum participation.

We are engaged in a struggle to establish the rights of man throughout the world. In our foreign aid and development programs, it is essential that we encourage the maximum participation by American industry rather than channel our assistance on a government-to-government basis. American firms operating overseas with private capital destroy the Soviet allegations that economic efforts are inevitably linked to political ends. The pursuit of our present policies negates the very ends we are striving to achieve.

An article which appeared in the Saturday Review for September 30, 1961, by Dr. Heinrich Kronstein, director of the Institute for Foreign and International Common Commercial Law in Frankfurt, Germany, studied the delicate balance between private industry and government in their relationship with underdeveloped areas. The excerpts from Dr. Kronstein's article is as follows:

"During recent years the United States has developed, or at least accepted, a fresh approach to American activity in the new countries. The Government has conducted economic relations through its different agencies, or jointly with other governments, usually through the United Nations or an institution established under the auspices of the U.N. In turn, the recently sovereign nations have entered into economic relations through their governments. As a result, private enterprise has to a large extent lost its role as instigator, planner, and executor of development in these new lands. Adaptation of private policy to the needs of the countries or to American needs in foreign markets has declined. Many governments not in the Communist bloc have excluded private enterprise as a participant in important industrial fields or have created difficulties that amount to practical exclusion.

"A number of more or less settled practices have developed, such as making outright gifts of military and other technical materials, offering governmental long-term loans, and guaranteeing through governmental agencies credit which is made available as corporate loans.

"The combination of military and economic aid by the same organization, the U.S. Government, is a clear example of the confusion of social functions. The executive and the Congress, formulating one budget, make basic decisions on military, technical, and economic aid, even though these are administered by different agencies.

"Systematic planning of foreign development operations is a job ideally suited to the industrial experts in our corporations. Perhaps some corporations are engaged in this work, but I doubt that their part is substantial. The advisory services of industrial planners or economists not connected with industry may be helpful, but these people are not occupied with the actual job.

"It is interesting to see what great success a relative newcomer, Italy, has had in industrial planning. Fiat, Montecatini, Italian Edison, Innocento, and Pirelli established a joint agency to prepare a plan for underdeveloped territories. The Iranian Government employed it to outline the development of the southeast part of Iran. Argentina, Egypt, Tunisia, and Togo soon followed. Negotiations with central African states are now pending. This systematic inclusion of a private agency in the planning job is an important step. The Federal Republic of Germany is considering setting up a mixed agency composed of government and private groups to serve the same purpose. But this is still not enough. Private experts continue to be needed after the plan has begun to operate, as is evident in the recent efforts of the Argentine Government to bring American and European technicians there to run industrial plants erected with Government aid. In spite of the fact that the number of industrial plants in Argentina set up with Government aid had increased substantially by 1960, total production has decreased because of the lack of qualified people to run the plants."

One of America's greatest Presidents, Abraham Lincoln, defined the proper role of the Federal Government as follows:

"The function of government is to do for the individual all of those things which he cannot do at all or which he cannot so well do for himself; but in all those things where the community or the individual can take care of his own affairs, the Federal Government ought not to interfere."

A century later the fundamental and constitutional objectives set forth by President Lincoln are still valid. No justification for a continued encroachment upon the activities of private citizens who manifestly cannot compete with their own Government has been made.

Timely Observations

EXTENSION OF REMARKS

OF

HON. JOHN H. ROUSSELOT

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 27, 1961

Mr. ROUSSELOT. Mr. Speaker, over the past few weeks, the Los Angeles

Herald-Express has published some articles by George Todt, which I think every Member of Congress will want to read. This writer has done a fine job of graphically describing some very important issues of the day. I, therefore, wish to have five of these articles inserted in the Appendix of the CONGRESSIONAL RECORD:

GEORGE TODT'S OPINION—COMMUNISM SHELTERED?

("There's villainous news abroad." Shakespeare—Henry IV, pt. 1, act 2, scene 4.)

Let's call this article today what it really is—an "open letter" to the Hollywood motion picture producers' fraternity, and may we expect an answer soon?

Perhaps before Christmas, too.

Here is a 64-million dollar question: Why haven't you gentlemen produced some anti-Communist films by 1961?

I thought we were in a cold war with the Marxist dictatorship based behind the Iron Curtain. At least the American people are being squeezed for upwards of $50 billions a year to support a military machine whose only justification is this one.

WHY ARE YOU

The international Communist criminal conspiracy is the deadliest threat to our liberties which this Nation ever has faced in her history. Yet you are still engrossed in making films against the long-crushed Nazis. Bigger and better anti-Nazi films are your highest priority.

But where are any anti-Communist offerings?

Make no mistake about it, this writer despises Adolf Hitler and all he stood for quite as much as you do. It was for this reason alone that I volunteered for service in World War II.

What I learned about Hitler in the numerous Hollywood films you produced in profusion 20 or 25 years ago motivated me greatly then.

All of us are glad he was defeated and killed.

This is now water under the bridge.

We are facing an even greater enemy today—and it is the brutalitarian Communist who is on the march in 1961, not the defeated Nazi totalitarian of 1941.

RAISING THE DEAD

You gentlemen seem to be 20 years behind the times.

Let's go to the heart of the problem: Is there a hidden reason why you cannot make anti-Communist films today?

Is the U.S. Department of State to blame?

Are you helpless in the face of secret directives from the Government—of the type akin to the notorious Fulbright memorandum to the Pentagon a short time ago—to make films which show up the imperialistic Communists in their true light?

A man close to the Hollywood picture recently told me that such was indeed the case. I found this "bombshell" hard to believe although I respect the gentleman's integrity who made this well-nigh-incredible statement. He is a member of the Greater Los Angeles Press Club.

WHEN IT'S TRUE

What the public would like to know—straight from the horse's mouth—is whether or not this may be true?

Have you been intimidated behind the scenes by the Government against making anti-Communist films for any reason whatsoever?

Let the long-suffering public have the facts if such has happened in the past and we will have a storm of protest which will cause the Fulbright memorandum fiasco to pale into insignificance in comparison. You will receive much support from the people.

Upon reflection, there are many specious reasons which might be advanced to the film industry why it would be advantageous for us not to make motion pictures which depicted the Reds in a bad light.

It could be said that we were engaged in delicate negotiations to disarm, end the cold war, not stir up the explosive international situation to become worse, et cetera, et cetera, and et cetera. We might dream up many such self-serving excuses.

REDS WE DREAD?

But the real point is that such specious reasoning did not apply in the case of Hitler a quarter of a century ago—so why now?

The Nazis and Communists are simply the opposite sides of the same totalitarian coin. What is sauce for the goose ought to be sauce for the gander. Why show partiality for either one?

I agreed with you 25 years ago that the Nazis and Fascists under Benito Mussolini were no good.

I hope you will agree with me now that the Reds are no-goodniks, too.

I suggest you give them both the same treatment. Why not?

Since when have the Marxists been kind to American free enterprise?

If there should be some of you who cannot agree with my premise that the Communist threat is the real one today, don't complain to me—just tell it to Congress.

For some unexplained reason the gentlemen on Capitol Hill are assigning about 10 percent of the GNP (gross national product) annually to support a military machine designed to fight the Reds.

Perhaps we should ask what for?

GEORGE TODT'S OPINION—GOLDWATER VS. LIBERALISM

(" 'Tis the sunset of life gives me mystical lore, And coming events cast their shadows before."—Campbell, "Lochiel's Warning.")

Not long ago I had breakfast with some friends in Los Angeles where Senatory BARRY GOLDWATER was the speaker and he received a tremendous reception from the numerous and important Republican brass present. His stock is going up every day. What is his thinking?

In the first place, he is entirely lucid and reasonable. When one hears his words, it is not the impossible balderdash relayed by his wily ADA political opposition which has axes to grind. GOLDWATER is completely down to earth, modest, and speaks in a normal tone of voice. He is the antithesis of the rabblerouser type.

Best of all, he shoots straight from the shoulder. There is no pussyfooting or indecisiveness with him. Ask him an honest question, you get an honest answer back. No doubletalk.

THOSE WHO SHOUT

BARRY GOLDWATER is of pioneer Western stock—half Jew and half gentile. He is very proud of both. And so am I. In my mind, he represents the best of our American Judaic-Christian philosophy which is the motivating force of the free enterprise system.

We Americans are a great partnership of various peoples, races, religions, and colors. As somebody once observed so aptly: "America is a tune which must be sung together." Let's keep it in tune.

One of the reasons I am proud to be a citizen of this great Republic of ours is that we have had more success than any other nation in working together with our differences. The key to success in this field is the word "Respect"—not "Tolerance." The latter is a weak word to me. It implies a position inherent within it of one who is superior, another inferior. But respect means something else.

WITHOUT REASON

Let us all recognize that our own personal rights end where the other person's nose begins—and then resolve that we will "live and let live" where our neighbors are concerned. Respect for the rights of others is something all of us can practice increasingly and be better Americans for it.

But to get back to Senator GOLDWATER. In this writer's mind he is the epitome of manly courage backed up by strong moral convictions and a thorough religious belief in God, the Father of us all. He is a fighter who would rather be dead than Red. He would have no trouble in standing up to Nikita Khrushchev or Mao Tse-tung; would tell them off.

CARRY GUNS ABOUT

Although he is a strong man, GOLDWATER also knows Shakespeare's admonishment in "Measure for Measure" where the bard uses these words:

"O, it is excellent to have a giant's strength, but it is tyrannous to use it like a giant."

But GOLDWATER, contrary to former Oxford Rhodes Scholar J. WILLIAM FULBRIGHT—a fellow Senator and brother Sigma Chi, incidentally—thinks we ought to shoot for victory over communism, not merely put up a passive defense.

The Arizona statesman also diametrically opposes the liberal FULBRIGHT in the latter's controversial stand on muzzling our military men in the Nation's desperate fight against the Reds. The former is a brigadier general in the USAF Reserve. He is very popular with our fighting men in the armed services.

GOLDWATER'S philosophy and American ideology is just as modern as the supersonic jets he flies—and he has checked out on most of the newest jobs in Uncle Sam's arsenal. He is in his early 50's but somehow personifies youth with our young people, who are his greatest admirers.

OUT OF SEASON

I don't know if BARRY GOLDWATER may be our next President, but he might be. And this is the reason why: The American people are tired of losing our shirts on the world stage. They are aghast that we, the most powerful nation in the history of the earth, are getting kicked in the pants by every world gangster and pipsqueak. When do we start winning?

Unfortunately from our standpoint, the so-called "Liberals" have been unable to win for losing—and this is the acid test. I care not for political parties or personalities here; I just want us to win. If the liberal strategists cannot do it for us, then let's get a real conservative in there to see what he can do. Fair enough?

GEORGE TODT'S OPINION—SOCIALISM IS COMMUNISM

("Truth crushed to earth shall rise again."—Bryant, "The Battle Field.")

Here in America, we have long had an old saying: "The truth should never hurt." But does it really pain sometimes after all? How about the muzzling of the military recently through the controversial methods utilized by the secret Fulbright memorandum? What are the facts in this curious, puzzling case?

I think Senator STROM THURMOND, Democrat, of South Carolina, let the cat out of the bag in a remarkable speech to the Senate not long ago. He is a major general in the U.S. Army Reserve and a real authority on military affairs which concern our men in uniform.

In a particularly down-to-earth assessment of the Fulbright memorandum, he explained why its ADA originator has become so emotional and distraught regarding participation of our keenest military minds in the ideological (but certainly nonpolitical) battle against international and domestic Reds.

TO SEE BEHIND

"If the military teaches the true nature of communism," said the patriotic Senator from South Carolina, "it must necessarily teach that communism is fundamentally socialism.

"When socialism in turn is understood, one cannot but help realize that many of the domestic programs advocated in the United States—and many of those adopted—fall clearly within the category of socialism.

"Military leaders, in this case, are rightly teaching the truth. As is often the case, the truth can and does hurt."

I think this correct assessment goes to the very heart of the problem we are facing now. The ADA (Americans for Democratic Action) largely are calling the tune for the new administration in Washington. This is, to all practical purposes, the political action arm in the United States of the British Fabian Socialists (see "Keynes at Harvard"). It is unduly aggressive and powerful.

So much so, in fact, that it can stifle outraged criticism of its aims and objectives from patriotic American sources. At least in certain cases. The military falls within this category now. The Fabian-oriented Arkansas solon, one of the ADA's most articulate spokesmen and a former Rhodes Scholar at Britain's Oxford University, has spoken.

COMMIE FACADE

He has managed to have imposed on our best military brains what amounts to a kind of anticonservative thought control, or censorship.

The generals and admirals are no longer encouraged to push socialistic communism to its well-deserved grave, as of yore. Except when the U.S. Congress is asked for new taxpayer dollars in huge appropriations bills.

Why should we commit upward of $50 billion per year on our Military Establishment—the Reds being our only real justification for our spending such astronomical sums—if the erudite Senator FULBRIGHT thinks Marxist communism is not enough of a menace to get ourselves upset about?

The real truth is that imperialistic, slave-ridden communism is indeed a real and terrifying enemy of our Republic and its proven free enterprise system, our Judaic-Christian culture and cherished American way of life.

A SOCIALIST MIND

During World War II, the psychotic Communist leaders massacred in cold blood some 16,000 captured Polish officers in the Katyn Forest and dumped their yet-warm bodies in a mass grave.

No wonder our military men are determined that America will never surrender in a fit of folly to the Reds.

They would become only the first of many millions of our people cruelly to be put to death by the notorious Iron Curtain cult of mass murder.

IS PEA IN A POD

Today the conservative counterrevolution against pacifist, appeasement-minded ADA doctrine is in full swing throughout the Republic.

New societies and patriotic groups are springing up in every city, town, and hamlet. There is a tremendous ground swell of old-fashioned American patriotism in the air, and it comes not a moment too soon. Our people are understandably afraid because our leaders have lost on the world stage far more often of late than they have won for us. It should not be.

Recently I talked before the newly formed La Habra Area Americanism Society which had started out with 8 citizens 6 weeks prior to my arrival there—and had already mushroomed into 350 members.

This is typical of what is happening all over the Nation now.

We will start to see the dividends in the 1962 elections.

GEORGE TODT'S OPINION—CONSERVATIVE ON UPSWING

("The old order changeth, yielding place to new." Tennyson—"The Passing of Arthur.")

According to the eminent weekly news magazine, U.S. News & World Report, in its recent issue commencing on page 45, "the signs are up, pointing to a change of direction for the Kennedy administration." And not a moment too soon.

Is J. F. K. veering to the conservative side? Well, at least a little bit it seems. So-called "liberal" solutions to our soaring troubles—and they are manifold nowadays—are fast becoming bankrupt and increasingly out of style. This illuminating article is worth reading.

AN UPWARD SWING

For it backs up the contention of this column over a long while that indeed a great conservative counterrevolution against Fabian socialism, either of the old New Deal or the newer New Frontier variety of same, is now sweeping the Nation.

Currents like this one are slow to start, sluggish in motion, and not always discernible to the casual onlooker at first glance. Many of us may not know exactly what to look for in the way of signs. Only when we go beneath the surface may we be expected to reach the heart of the problem. In this case it is worth looking for.

The main trouble with Fabianism or any other brand of socialism—including communism—is not that it sounds bad in theory. But it has a bad record of producing results for its earlier promises of all things to all men. That is where Marxism falls down.

Socialism cannot work at all without slavish controls over the lives and fortunes of of the citizens who comprise the state, and it must exploit them without feeling—except for its privileged bureaucracy, a self-styled elite which takes the place of the arrogant nobility of another day.

What is the difference anyway?

To the puny Socialist intellectual, whose selfish greed for power over the lives of his fellows overcomes his commonsense, our vaunted free enterprise system is merely decadent and reactionary.

TAKES SOME TIME

How, then, does he explain away the fact that it has produced the modern miracle known as the American way of life wherein 6 percent of the world's population living in the United States have produced almost half the wealth upon this planet?

If free enterprise is truly decadent, as the Marxist propagandists would have the human race believe, then perhaps what is needed today is the export of copious quantities of such American decadence to all the scattered quarters of the globe. At least, it ought to raise the standard of living of all who might be fortunate enough to come into contact with it.

Actually, incredible stupidity—as well as jealousy and envious hatred of the American system—is demonstrated by the great Socialist planners in their myopic, self-defeating attempts to polish off capitalism and free enterprise. The latter is largely the hand that feeds gratuitously much of Marxist bumbling throughout the world.

THEN THE ZING

We have spent over $100 billion in recent years on foreign aid which has largely disappeared as handouts to international Socialist governments

Where would they be today without our free enterprise doles "with no strings attached" to their inept Socialist bureaucrats? How would they be able to keep their collective heads above water, in many instances, without our succor? How can socialism be said to be a better system than free enterprise when the latter pays for itself—and much of Socialist systems elsewhere outside our borders, too?

RINGS THE CHIME

I think it is high time to stop shooting bazookas at the free enterprise goose which lays all those beautiful golden eggs.

Note to Marxists: Why bite the hand that feeds you?

Increasingly, as people commence to think in terms of down-to-earth arithmetic and commonsense in the future, the trend will be increasingly back to capitalism, not socialism. The latter is a fraud in an economic sense. And an ideological mountebank, as well.

As U.S. News & World Report carefully pointed out, there is no evidence of any mass flight to the conservative side yet—but the liberal ice jam is beginning to show some deep cracks.

Perhaps a start in this direction is now being made which will bode well for the Nation's future. Conservatism is the new wave of tomorrow.

Let's encourage J. F. K. to put the brakes on the impractical Fabians.

GEORGE TODT'S OPINION—WHAT IS CONSERVATISM?

("The nearer the dawn the darker the night."—Longfellow, "Tales of a Wayside Inn.")

No long ago I listened to Los Angeles Congressman EDGAR W. ("ECK") HIESTAND—sometimes called Mr. Conservative in Washington's House of Representatives on Capitol Hill—and heard him make some telling points. What is a conservative, anyway?

HIESTAND defines one as either a Democrat or Republican who believes in conserving the rights of workers, conserving the buying power of the workers' dollar and of the retirement income of pensioners, and in conserving all freedoms and the free enterprise system which made our Nation great.

Few men have done more to make conservatism the respected word it has become than this California solon. He is definitely in the onrushing Goldwater pattern of thinking, both men live in the same family apartment house building in the Nation's Capital.

THE TRUTH INSIDE

What are more of his beliefs as regards conservative philosophy and ideology? Why has he become a champion against ADA (Americans for Democratic Action) socialism of the Fabian variety in the United States today? Where does he stand?

Frankly, HIESTAND resents the fact that conservatives—whose American principles stem from our Founding Fathers and the Revolutionary War of 1776, not the Marxist manifesto—are sometime erroneously and spitefully called reactionaries.

He thinks the so-called liberals and other radicals who continue to insist on dragging out the tired old Socialist welfare schemes that have previously failed to be the real reactionaries of today.

The Altadena Congressman strong believes that the purchasing power of our dollar must be strengthened further, not not debased.

OF EVERY MAN

This is a touchy subject, for loss of faith in the U.S. dollar might prove disastrous, at home and abroad. About a year ago there was a serious financial upheaval in Europe—much of it inspired by loose talk of our becoming a second-rate nation and the possibility of inflation through overspending our limited resources.

In the field of foreign policy and national security, HIESTAND stands for achieving a peace without appeasement or surrender. He is against the admission of Red China to the United Nations, thinks Fidel Castro is an abomination who ought to be squelched with old-fashioned American power. Using the U.N.'s military forces to set up a Communist state in the African Congo makes no sense to him. And he stands firmly for the loyalty oath and a continuing fight against all forms of subversion in our country.

IS THE GUIDE

This conservative Congressman—and he is typical of the steadily growing group who are

backing increasingly down-to-earth Americana over Marxist one worldism in these trying times—believes firmly in the free, private responsibility of the individual human being. Cooperation, not coercion.

He wants us to have ever greater opportunities to earn our way in life under a full head of our own steam and progress to a higher standard of living for ourselves.

He does not want us to be placed ultimately on Socialist-type doles, the kind which sap both self-respect and initiative.

Let the Government only do for the people what the people cannot do for themselves. No paternalism, please. We are proud citizens of a libertarian nation which has already demonstrated that we know how to stand on our own feet better than anybody else. Why change now?

WE MUST FAN

In a free economy—such as we have been in the past and, hopefully, may be continued for us in the future—we are allowed in a large measure to chart our own courses without governmental direction to herd us along a pathway chosen for us by what is euphemistically termed the elite; i.e., bureaucratic paternalism.

Those Americans who value personal freedom and making their own individual choices in life, within reason and responsibility dictated by their consciences, will vote increasingly for conservatism in the future.

Freedom is the real wave of the forthcoming era, not serfdom.

Democrats and Republicans will cross party lines to achieve it.

The Small Business Legislative Accomplishments of the 1st Session, 87th Congress

EXTENSION OF REMARKS
OF
HON. JOHN SPARKMAN
OF ALABAMA
IN THE SENATE OF THE UNITED STATES
Wednesday, September 27, 1961

Mr. SPARKMAN. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD the small business legislative accomplishments of the 1st session, 87th Congress.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

Year after year, since 1950, when the present Small Business Committee of the Senate was established by Senate Resolution 58, the Congress has expressed its concern for the welfare of the Nation's small businessmen by the enactment of legislation designed to foster and promote a healthy small business community. No session of Congress in the past decade has adjourned without adding to the legislative arsenal of small business new weapons to help the Nation's small and independent enterprisers wage their oftentimes desperate struggle for survival on today's business battleground.

Perhaps mindful of the growing casualty lists mirrored in the mounting number of small business bankruptcies, the 1st session of the 87th Congress again demonstrated its awareness of the problems of small businessmen through the enactment of various measures to strengthen the small business segment of our economy. In summarizing these at this time, I cannot let the occasion pass without taking notice of the combined efforts of the members of the Senate Small Business Committee to help small businessmen hurdle many of the obstacles which stand between them and the successful conduct of their enterprises. Without stint the members gave of their time and energy to make it possible for the owners and managers of small concerns, if not to overtake, at least to stay competitively within shouting distance of their larger and more powerful rivals. In no slight measure, these efforts of the committee members were responsible for the enactment of significant small business legislation during the 1st session of the 87th Congress.

When Congress passed the Small Business Investment Act of 1958, it in effect added a significant new dimension to the Nation's banking system by creating a new primary source of credit in the form of small business investment companies. The response of the investing public to the idea of small business investment companies has exceeded expectations. Today there are in existence 386 investment companies licensed by the Small Business Administration. These have aggregate capital in excess of $300 million available for long-term loans and equity capital for small business enterprises. Even so, as with all new and original concepts, it became evident that opportunities existed for improving and expanding the SBIC program, chiefly by means of making the formation of SBIC's more attractive to the investing public.

With this as an objective, Congress passed S. 902—Public Law 87-341—the Small Business Investment Act Amendments of 1961, to offer new incentives for the formation of SBIC's. These incentives took the following forms:

1. The amount of subordinated debentures in an SBIC which the Small Business Administration may purchase was raised from $150,000 to $400,000.

2. Banks may now invest 2 percent of their capital and surplus in SBIC's. Previously banks could only invest 1 percent of their capital and surplus in SBIC's.

3. The amount of section 303(b) loans which SBA may make to an SBIC is set at 50 percent of capital and surplus, with a limit of $4 million to any single investment company.

4. The amount of funds which an SBIC may lend to any one business firm was limited to $500,000, unless the SBA grants an exception.

5. SBA was given broad powers to investigate and issue cease-and-desist orders against SBIC's. After a hearing, SBA can suspend the license of an SBIC. Licenses, however, may not be revoked without Federal court action.

6. An additional $75 million was added to SBA's revolving fund for SBIC operations, an increase from $250 million to $325 million.

7. SBIC's may now cooperate with lenders and investors, whether incorporated or unincorporated, in furnishing funds to small business firms. Previously, such cooperation could only be extended to other lending institutions.

Two steps were taken during the 1st session of the 87th Congress to increase the effectiveness of the Small Business Administration as the champion of small business. H.R. 8762—Public Law 87-305—approved September 26, 1961, increased SBA's revolving fund by $105 million, thus assuring the agency funds to operate its lending programs throughout fiscal year 1962.

Additionally, Public Law 87-305 laid the foundation for a program designed to increase the role of small concerns as subcontractors on Government procurements. Under its provisions, SBA, the Defense Department, and the General Services Administration must within 90 days from the date of enactment develop cooperatively a small business subcontracting program. Before any regulations governing this program are issued by the Defense Department and GSA, the concurrence of SBA must be obtained. Lacking this, points of disagreement must be referred to the White House for resolution.

No summary of legislation helpful to small business concerns passed during the 1st session of the 87th Congress would be complete, Mr. President, without mention of the following enactments:

S. 2325—Public Law 87-311—should encourage small business to enter the world trade market by clarifying the authority of the Export-Import Bank to insure, coinsure, and reinsure U.S. exports and foreign exports doing business in the United States in an aggregate amount outstanding at any one time of $1 billion against political and credit risks of loss stemming from export activities.

S. 1922—Public Law 87-70—authorized the Small Business Administration to make disaster loans to a small business which has suffered substantial injury as a result of its displacement by federally aided urban renewal or highway construction program or any other construction program which was financed by Fedral funds.

S. 1—Public Law 87-27—Area Redevelopment Act, extended indefinitely the authority of the Small Business Administration, due to expire June 30, 1961, to make loans to State and local development companies. In commenting on this provision, the House Banking and Currency Committee's report on S. 1, stated: "These loans can greatly benefit areas of substantial and persistent labor surplus and will therefore promote the general purposes of the area redevelopment bill. * * * Through March 17, 1961, loans totaling $10,700,000 had been made * * * under this authority. * * * No losses have been incurred to date."

Mr. President, these accomplishments of the 1st session of the 87th Congress with respect to small business legislation will undoubtedly help to improve the competitive position of our more than 4.5 million small and independent enterprises.

There remain, however, some important small business measures on which congressional action has not been completed. In the fields of tax relief and antitrust enforcement several bills that were introduced in the first session will again be considered when Congress convenes in January 1962. It is my hope that careful and prompt action on these measures next year will make it possible for the 87th Congress to go down in history as a Congress which left no doubt about its desire to strengthen our free enterprise system by fostering and encouraging small businesses to enjoy a healthy growth along with our rapidly expanding national economy.

Can't Change National Thinking by Passage of a Law or Gift of Dollars

EXTENSION OF REMARKS
OF
CLARE E. HOFFMAN
OF MICHIGAN
IN THE HOUSE OF REPRESENTATIVES
Wednesday, September 27, 1961

Mr. HOFFMAN of Michigan. Mr. Speaker, if we are to judge by the standards used by the people of the Fourth Congressional District and, I assume, that of the Midwest generally, the House has seemed to show a lack of responsibility—a lack due not to a lack of knowledge or our situation, but rather to what might be termed the "atmosphere" or "the climate", as the intellectuals put it, which exists here in Washington, which, overall, seems to be that our resources,

our ability, and our power are unlimited. That there is no bottom to the barrel; that, willy-nilly (our taxpayers can in some way give to all other people in other parts of the world everything they may desire and some things they do not want—that we can not only give them everything they ask, but force them to accept some things they do not want and will not use—while we at the same time prepare for an all-out war. That is a false assumption. If we continue to accept and act on it, we will meet disaster.

There seems to be a feeling on the part of our Congressmen and their advisers that we can, by the passage of a law, change not only the habits but the thinking of groups and nations which existed long before Columbus first saw America.

There are in Congress Members who have traveled abroad quite often and extensively, sometimes at their own expense, usually at the taxpayers' expense.

These individuals see misery and want and a lack of Christianity and freedom in other parts of the world. They are determined that we shall, by the enactment of legislation—by the stroke of a pen as it were—by either the loan or the gift of dollars, by technical aid, by teaching, demonstration and other assistance solve all their problems—make them happy, prosperous, and contented—accomplish the task which Christ and his Disciples undertook more than 2,000 years ago.

The same individuals seem to be convinced that, if other Members do not agree with their thinking, if we do not favor overall foreign aid—we lack Christianity, all feelings of decency, would let all others continue in their misery and want without extending a helping hand.

That is not our attitude. Speaking for myself, I have always endeavored to aid others, contribute to missionaries, will always continue to do so. Will always hope and work for improvement and the betterment of other peoples throughout the world.

But I can find no reason for attempting to force others to accept my thinking, my way of life, when, during the centuries, they have thought and lived otherwise.

Bringing freedom to people beyond the seas, as some of our international-minded one-worlders are trying to do, does not mean the imposition of the religion in which we believe, the customs under which we live, upon all others, certainly not by force.

The League of Nations, which Wilson accepted, was designed to bring peace throughout the world, and that without force.

United Nations has the same purpose, but would bring it about by gifts and loans, and, if necessary the use of force—through a one-world organization with laws applicable to every nation, imposed upon every individual, every nation.

As was pointed out by the chairman of the Foreign Relations Committee, who has long been an advocate of internationalism, U.N. has failed, and, I quote, "We must look elsewhere." He so wrote in the October 1 issue of Foreign Affairs Quarterly, and reprinted in the October 2 issue of U.S. News & World Report.

The League of Nations failed; United Nations has fallen short of its objective, because people throughout the world do not—no more than individuals—conform to one pattern.

People have different ideas—not only as to the God which they should worship, but as to what they should eat, wear, and how and where they should live.

Nations, as individuals, are naturally selfish, and there is no evidence that as of today anyone will make the welfare, prosperity and happiness of his neighbor his chief objective in life, forget or abandon his own desires.

It does not follow that we should not try to aid others. It does follow that, while so doing, we must take into consideration our own needs, our own ability, for, except as we individually and nationally remain strong, we cannot effectively aid any other people or nation.

The foregoing may give you some idea as to why I have advocated and do now advocate a policy which will avoid waste and inefficiency in our own Government, maintain and build up our own strength, while continuing our individual and national efforts to help others who need and desire aid.

Because it is my conviction, and that is based upon the history of our Nation and my own 26 years' experience here in Congress, that our form of government, with the people retaining all power not expressly granted to the Congress, to the Executive, to the judiciary department, is the best yet devised to give a people freedom and opportunity, I have consistently opposed the delegation by the Congress of any part of its authority to the other two branches of the Government.

It is the reason why I have vigorously, sometimes perhaps too vigorously, opposed all efforts to surrender to any international organization any part of our national sovereignty.

The folly of such a surrender has been demonstrated. Though we have contributed billions upon billions to other nations, our situation today is no better—in fact, it is admittedly worse, so far as our national security is concerned—than when the program originated.

Today we are on the verge of war because we have disregarded Washington's advice not to become entangled in the affairs of other nations. Only by what may be almost unbearable sacrifices will we be able to extricate ourselves from our involvement in the present world situation. To our national security must our efforts now be devoted.

We cannot continue unlimited spending and win a war.

Buy Now, Pay Later

EXTENSION OF REMARKS

OF

HON. ERNEST GRUENING

OF ALASKA

IN THE SENATE OF THE UNITED STATES

Wednesday, September 27, 1961

Mr. GRUENING. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD a statement by me.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR GRUENING

For those Americans who would escape a new and rapidly developing form of horaswoggling, honeyfugling, and horsefeathering, I strongly recommend a highly important, recently published volume which has as its title the intriguing, inviting, and enticing beckoning so alluringly presented to multitudes of Americans by a great variety of services and businesses: "Buy Now, Pay Later."

It is written by Hillel Black, published in New York by William Morrow & Co., and carries a foreword by our distinguished colleague, the senior Senator from Illinois, PAUL DOUGLAS.

The book exposes what, while a legitimate business—the wide extension of credit and installment purchasing—presents pitfalls of which the average consumer, householder, and housewife are innocently unaware. The pitfall consists in no small degree of their ignorance of what installment buying actually costs them. Thousands never even inquire. Others are content with a reply that the charge is such-and-such percent. This leaves unanswered how much percent for what unit of time. It omits mention, also, of all kinds of special charges, of which virtually every installment buyer remains unaware.

The startling fact which Mr. Hillel Black's book reveals is that the financing of purchases has in many cases become more profitable than the profit on the purchased article or service itself.

The interest of Senator DOUGLAS—a noted economist and, before his election to the Senate, professor of economics at the University of Chicago—is that the installment buyer shall be informed, before he signs his installment contract, whether for an automobile, a dishwasher, a TV set, housefurnishings, or uses his credit card for travel, for dining, or for any purpose whatever—what the credit service is actually costing him above the price of the article or service he is buying. To achieve this end, Senator DOUGLAS introduced in the 1st session of the 87th Congress, along with 20 cosponsors, of whom I am happy to be one, a bill which has become known informally as the truth-in-lending bill.

This bill (S. 1740) is entitled "A bill to assist in the promotion of economic stabilization by requiring the disclosure of finance charges in connection with extension of credit."

All that the bill requires is disclosure to the purchaser of what he is actually paying when he buys on credit; what the interest rate actually is; what fees, service charges, discounts, and other charges, not apparent on the face of the purchasing contract or not explicit in the use of a credit card, are.

Is there opposition to this legislation? Indeed there is. There is opposition from the vast and growing category of what Hillel Black, author of the book, rightly terms "the debt merchants."

Today, millions of Americans are being bombarded with pleas to "buy now, pay later." Credit cards are being generously handed to all possible takers, and persuasion to use them is a no less generous accompaniment.

Today, many an American family finds itself in precarious financial straits because it has succumbed, unaware, to the siren songs of the "debt merchants."

Reading of Hillel Black's "Buy Now, Pay Later" may avert countless domestic tragedies and contribute mightily to a sounder national economy which has been weakened by the spreading habit of buying things one doesn't need with money one does not have.

Inspector Thomas V. Slominski Wins Commendation on 100th Anniversary of District of Columbia Metropolitan Police Force

EXTENSION OF REMARKS
OF
HON. ALAN BIBLE
OF NEVADA
IN THE SENATE OF THE UNITED STATES
Wednesday, September 27, 1961

Mr. BIBLE. Mr. President, the Metropolitan Police force of Washington, D.C., in October will celebrate its 100th anniversary, and I believe it is fitting and proper that we give recognition to those men and women over the years who night and day have provided the law enforcement required in the Nation's Capital City, and even their lives, if need be.

In many ways the life of a policeman in Washington may well be more difficult than in any other American city. It is here that police officers must have the patience, tact, and courtesy mingled with effective forcefulness to do their job. It is here that small problems can be telescoped into incidents of far-reaching impact because this is the Nation's Capital and people of all nations are here.

It is particularly appropriate that this 100th anniversary falls in a year that one of the department's most capable and dedicated officers retires after 30 years of commendable service. I refer to Inspector Thomas V. Slominski, for the last 12 years the liaison officer between his department and the U.S. district and municipal courts here.

Inspector Slominski epitomizes the record of the Metropolitan Police force and its service to the citizens of the Nation's Capital down through the years. Here is a man, who is going into retirement, whose commendations have been legion the last 30 years. One highlight was a tribute by President Franklin D. Roosevelt and the King and Queen of England on the visit of the British monarchs to Washington, D.C., in 1939.

Here is a man who has watched over schoolboys and schoolgirls from 1947 through 1961 as marshal of the American Automobile Association's annual schoolboy patrol parade held here, which yearly attracts some 15,000 youngsters from more than 25 States.

A particularly fitting tribute to Inspector Slominski was paid to him in an article in the Washington Evening Star of July 19, 1961, which I ask unanimous consent to have printed in the RECORD.

There being no objection the article was ordered to be printed in the RECORD, as follows:

COURTS LOSING ESTEEMED POLICE "AMBASSADOR"

(By J. Theodore Crown, Star staff writer)

When Inspector Thomas V. Slominski decided 2 years ago it might be a good time to retire from his "ambassadorship" to District and municipal courts, there came a chorus of dissents that changed his mind for him.

Now the inexorable law of advancing age (the inspector will be 64 September 4) means he will retire by law on September 30.

FLOWERY PRAISE

How the courts will get along without him is hard to see, for judges have regarded him as almost indispensable during the 12 years he has performed as liaison man between the courts and police headquarters.

It was recalled today that no less than a dozen judges wrote letters in 1959 urging Inspector Slominski to reconsider retirement plans and to remain as long as time would permit.

The letters were flowery in their praise of the inspector, whose diplomatic suavity and equal treatment of all men had won him the soubriquet of "ambassador."

They said his character and ability was that of "an officer of whom the department and the District may be proud."

Influenced by the flood of mail to his headquarters, Inspector Slominski decided to forego his fishing expeditions.

REGRETS FROM MURRAY

Today Police Chief Robert V. Murray added his voice to those of the court, calling the inspector's work "magnificent," and regretting to see him leave.

Before he went to the courts as a lieutenant in 1949, Inspector Slominski made his mark in the ranks, winning several commendations for the arrest of murderers and other felons.

Born and educated in Chicago, he was with the U.S. Marines from 1917 to 1921.

Going through war duty without a scratch, Inspector Slominski was selected to participate in a training film being made here. A bayonet demonstration was so realistic that his opponent jabbed him in the left leg, thus inflicting his only wound of World War I.

Congressman Harold R. Collier, of Illinois, Reports to the People of the 10th District of Illinois

EXTENSION OF REMARKS
OF
HON. HAROLD R. COLLIER
OF ILLINOIS
IN THE HOUSE OF REPRESENTATIVES
Wednesday, September 27, 1961

Mr. COLLIER. Mr. Speaker, under leave to extend my remarks in the RECORD, I submit herewith the report to the residents of the 10th Congressional District of Illinois covering a résumé of major legislation and my activities as their Representative in the 87th Congress.

Convening the first Tuesday in January of 1961 and extending through the waning days of September, the 1961 session has been the longest in history except for those of World War II years and during the Korean war. With the change of administration in January, the legislative wheels turned slowly for several weeks. Notwithstanding this fact, bipartisan support of emergency legislation in March and April offered evidence of a late summer adjournment. However, highly controversial legislation was delayed in a most untimely manner as the session moved into the summer months and resulted in widespread political hassling behind the scenes. Misdirection and indecision within certain committees dealing with such issues as Federal aid to education, tax proposals, and foreign aid brought frequent deadlocks and delays. Contributing to congressional pressures were the series of critical developments in Cuba, Laos, West Berlin, and, finally, the tragic turn of events within the United Nations.

Reviewing the past session of Congress, its failures and its successes, one is reminded of the words of Winston Churchill:

To understand today's problems, one must have a sense of history.

We have lived in an aura of cold war tensions for more than a decade. Periodically the struggle between the free nations in the world and the Communist-dominated countries erupts with new fervor, and there is little reason for optimism in an early relief from these tensions. Thus the armament race is accelerated and national defense costs continue to rise.

As a nation we should have two primary concerns: First, to maintain peace without yielding principle in a world of grave international tensions and, second, to strengthen our economic and fiscal stability on the domestic front.

There is no question that deficit spending during this next fiscal year will reach a frightening figure of more than $7 billion. Many of us who are concerned with the mushrooming national debt of more than $290 billion are critical of several domestic programs which reflect imprudence at a time when the Nation has been called upon to make sacrifices. It is relatively simple for the average citizen to determine the extent of his Representative's anxiety over fiscal irresponsibility by evaluating his voting record; and this is particularly applicable to the record of the 1st session of the 87th Congress. Although authorization and appropriation bills passed this year exceeded by several billion dollars the basic needs of this Nation, one ray of hope was reflected in the repeated refusal of the House of Representatives to increase the back-door spending approach on certain bills.

While it is impossible to list all important legislation and business transactions in Congress this year, here are several of the most important bills which were passed during this session and a summary comment on them:

DEFENSE BUDGET

An alltime record high defense budget for peacetime was almost unanimously approved by both the House and Senate for fiscal 1962. The estimated spending figure for national defense during the new fiscal year is $46,662,556,000. This figure was increased from the original estimated defense request with the development of the new crisis in Berlin. The additional sum will be for the construction of aircraft, missiles, and naval facilities. It provides for the continuation of the B–52 and B–58 bomber production programs and two new nuclear-powered missile frigates. The program also provides for stepping up the Polaris submarine program to a total of 29 by 1964, instead of 1967.

AMENDMENT TO THE SOCIAL SECURITY LAW

Voluntary retirement is now permitted for men at age 62 with reduced benefits

and widow's benefits are increased 10 percent. Working pensioners are permitted earnings up to $1,700 without penalty. Minimum benefit payments are increased $7 monthly and qualification has been liberalized to one quarter out of every four instead of one out of every three. To meet the $825 million annual cost of these changes, social security taxes will increase again next January and the rate will continue to 4⅝ percent on each employee-employer in 1968.

UNEMPLOYMENT COMPENSATION

Congress voted to increase unemployment compensation through Federal assistance to a maximum of 39 weeks and added a later proposal providing benefits for children of the unemployed.

EXPANDED FEDERAL HOUSING PROGRAM

An authorized 5-year $4.9 billion housing program on liberalized terms was passed over stiff opposition. The bill includes 100,000 new units of public housing, extends the farm housing program, increases funds for housing for the aged and provides for loans to acquire mass transportation facilities.

EMERGENCY FEED GRAIN PROGRAM

This legislation increases price support payments to participants for corn, grain, sorghum, other feed grains and soybeans and provides for a 1-year voluntary cut in acreage and crops of these feed grains.

LATIN AMERICAN AID

The appropriation bill effectuating the authorization passed previously provides for $600 million for a Latin-American development program. This sum includes $100 million for disaster relief in Chile, $394 million for loans by the Inter-American Development Bank, $6 million for social and economic programs of the Organization of American States, and $1 million for loans and grants by the ICA.

EXPANSION OF SPACE PROGRAM

An authorization of $1.7 billion for the National Aeronautics and Space Administration was passed and signed into law to be effective in fiscal 1962. This includes increases for the manned moon-orbiting project and for research on solid and nuclear propellants.

AID TO DEPRESSED AREAS

The establishment of an Area Redevelopment Administration in the Department of Commerce carries an authorization of $300 million in loans and $95 million in grants for industrial plants and public facilities in areas designated as distressed. The program carries a termination date of June 30, 1965.

HIGHWAY CONSTRUCTION

An additional $11.5 billion was authorized in H.R. 6713 for the interstate highway system, to be tentatively completed by 1972. It will bring certain apportionments for primary, secondary and urban programs up from $925 million to $1 billion annually. It fixes Federal gas and diesel taxes at 4 cents per gallon and it also raises taxes on tires, tubes, retread rubber and on trucks and buses.

FEDERAL JUDGESHIPS

Finally meeting a long-needed increase in U.S. district court judgeships and 10 circuit court judgeships, Congress voted a bill providing for a total of 73 judges. Because caseloads in the courts have become increasingly heavy, and litigation badly delayed over the past several years, the Eisenhower administration had made a request for additional judges, upon which Congress failed to act. In the spring of this year, approval was given in both the House and Senate by a large bipartisan majority.

EDUCATION LEGISLATION

A 2-year extension of the National Defense Education Act was finally approved after the House had voted down consideration of an omnibus bill. The measure also extends to federally impacted school districts assistance for an additional 2 years, to June 30, 1963. The total authorization for these programs was $1.3 billion.

FOREIGN AID

A compromise $3,914,600,000 money bill was passed. The final figure was more than the House originally approved but less than the Senate voted, and President Kennedy had asked. The bill authorized a 5-year program but required annual appropriations. The program includes loans and grants for foreign economic aid and development, military assistance and support, and contributions to international programs.

PEACE CORPS

The administration's request to establish the U.S. Peace Corps, commenced by Executive direction early this year, as an independent agency was approved and an authorization of $40 million for its operation was granted for fiscal 1962, although only $30 million was actually appropriated.

ARMS CONTROL AGENCY

A measure which establishes a U.S. Arms Control (Disarmament) Agency was approved by both the House and Senate and signed into law by the President at the close of the session. Actually, a division within the State Department composed of 72 staff members has been in existence for quite some time. The new agency simply expands certain phases of research in this field and establishes a distinct entity for this operation, without providing any authority or jurisdiction which the erstwhile bureau within the State Department did not already possess.

MINIMUM WAGE

Increases in the $1 minimum wage to $1.25 an hour were approved with extended coverage to 3½ million additional workers by gradual wage stepups in amending the Fair Labor Standards Act.

It must be understood that the legislation listed above is but a few of the more important items on the legislative agenda. As a matter of fact, there were nearly 200 bills which will undoubtedly become public law that must properly be considered major legislation. These do not include scores of other legislative actions of the 87th Congress which were of a private or provincial nature.

In addition to the legislation acted upon favorably this past year, several administration proposals fell by the wayside, either in committee or through floor action. Among these was Federal aid to education, which was bottled up in the House after becoming entangled with religious and political issues. The proposed Department of Urban Affairs gathered little favorable support and may not even see the light of day next year. The Youth Conservation Corps, revamping of the unemployment pay system, major tax changes, and a postage rate increase plan all failed, but may get a second chance in 1962.

PERSONAL REPORT

During the 1st session of the 87th Congress, I introduced 29 bills covering a wide range of subject matter. Among these were:

H.R. 341. A bill to amend the Legislative Reorganization Act of 1946 so as to require the yeas and nays in the case of final action by the Senate and House of Representatives on appropriation bills.

H.R. 342. A bill to amend the Internal Revenue Code of 1954 to repeal the tax presently imposed on the transportation of persons.

H.R. 933. A bill to amend the act of August 16, 1960, relating to exclusion from the mails of obscene articles.

H.R. 934. A bill to require a study of the effect of increasing the diversion of water from Lake Michigan into the Illinois Waterway for navigation and other purposes.

H.R. 935. A bill to amend the Passport Act of July 3, 1926, to authorize certain restrictions and limitations with respect to the issuance and validity of passports.

H.R. 937. A bill relating to the treatment of certain advertising, sales promotion, and similar items in determining price and price readjustments for purposes of the Federal manufacturers' excise taxes.

H.R. 938. A bill to repeal the excise tax on communications.

H.R. 939. A bill to allow a deduction for income tax purposes of certain expenses incurred by the taxpayer for the education of a dependent.

H.R. 940. A bill to amend the Internal Revenue Code of 1954 to provide funds for educational purposes by providing increased incentives for private giving through the allowance of a tax credit for charitable contributions to institutions of higher education.

H.R. 941. A bill to amend the Internal Revenue Code of 1954 to provide for the exclusion from gross income of the proceeds of a scholarship, fellowship grant, or student assistantship without regard to whether it (or any part thereof) represents payment for services rendered.

H.R. 1145. A bill to provide for the preservation of audio recordings of historical importance.

H.R. 1146. A bill to prohibit discrimination because of age in the hiring and employment of persons by Government contractors.

H.R. 1147. A bill to limit the applicability of the antitrust laws so as to exempt certain aspects of designated professional team sports, and for other purposes.

H.R. 5395. A bill to amend the War Claims Act of 1948 to provide for the payment of benefits under such act to certain citizens and permanent residents of the United States.

H.R. 5396. A bill to amend the act of September 14, 1959, with respect to sales and use taxes and other business activities in interstate commerce, and authorizing studies by congressional committees of this type of taxation.

H.R. 5921. A bill to amend title II of the Social Security Act to increase the amount of outside earnings permitted each year without deductions from benefits thereunder.

H.R. 7271. A bill to provide an exemption from participation in the Federal old-age and survivors' insurance program for individuals who are opposed to participation in such program on the grounds of religious belief.

H.R. 7374. A bill to amend title II of the Career Compensation Act of 1949 so as to provide that certain members of the uniformed forces shall not be entitled to receive any pay or allowances from the United States after engaging in any activity or conduct, while a prisoner of war, which results in giving aid or comfort to an enemy of the United States.

H.R. 7375. A bill to amend the Internal Revenue Code of 1954 to provide that a return of a surviving spouse shall be treated as a joint return without regard to the time of the death of the other spouse.

H.R. 7679. A bill to amend the Federal Aviation Act of 1958, as amended, to provide for all-charter certificates of public convenience and necessity.

H.J. Res. 10. A joint resolution designating October 31 of each year as Youth Honor Day.

H.J. Res. 36. A joint resolution proposing an amendment to the Constitution providing for the popular election of the President and Vice President of the United States.

H.J. Res. 506. A joint resolution proposing an amendment to the Constitution relative to equal rights for men and women.

H. Con. Res. 184. A concurrent resolution providing that appropriations for the mutual security program shall be reported in three separate bills, one for military assistance, one for economic assistance (other than technical cooperation), and one for technical cooperation and other matters.

H. Con. Res. 194. A concurrent resolution opposing further reduction of tariffs by Executive order.

H. Con. Res. 318. A concurrent resolution expressing the sense of Congress that the President should transfer to the Department of Defense functions of the Office of Civil and Defense Mobilization.

H. Res. 312. A House resolution to establish a House Committee on the Captive Nations.

H. Res. 321. A House resolution amending clause 2(a) of rule XXI of the Rules of the House of Representatives (appropriations).

More than 300 residents of the 10th Congressional District visited my office in Washington during the prolonged 1961 session. In almost every instance my staff arranged for visits to the White House, provided gallery passes for both the House and Senate, and arranged for tours of places of historical interest in the Nation's Capital. School and church groups, representatives of various business and professional organizations, and vacationing tourists repeatedly expressed their gratitude for the assistance and courtesies extended by our office during their stay here.

Earlier in this session, I took a public opinion poll in my district to determine how the majority of my constituents felt about some of the more controversial major legislative issues. The poll was particularly successful in that there was an excellent response. In fact, it ran 50 percent higher than the rate on most legislative polls. The returns were carefully tabulated on each question, a task which absorbed many extra hours of work on the part of my staff members. The consensus of my constituency, based upon this poll, were given complete consideration in my deliberations in voting on the issues in this session of Congress.

Because of the unusually late termination of this session, it became necessary for me to cancel or postpone speaking engagements back in the district during the month of September. Many of these commitments were made on a contingent basis, since Congress heretofore usually adjourned just prior to Labor Day; however I have a heavy calendar of speaking engagements for civic, church, service and school groups throughout my district during the recess period. Two members of my Washington staff are returning to the district for the recess period to join the home office operation which functions year round in Berwyn. Constitutents desiring to discuss Federal problems or pending legislation may arrange appointments in the district office during the recess period by telephoning my executive secretary on Pioneer 9–4115.

Congressional mail, which has been unusually heavy for the past year, is expected to taper off during the months of October, November, and December, thus providing more time for individual attention to case problems and committee work.

As a member of the Committee on Interstate and Foreign Commerce and the Subcommittee on Transportation and Aeronautics, my special assignments for the recess period have not been definitely designated. Your Representative has been particularly active in committee work during the past 8 months with such problems as the rapidly transforming aviation industry presents. Interstate and foreign commerce has undergone broad changes and even critical problems have developed in almost every field which must be coped with in the accelerated transportation industry by the Congress and its affiliated agencies. It is expected that our committee will conduct a series of studies and investigations on the jet and helicopter noise problems which have become a source of serious aggravation to the residents of our own district as well as those in areas of close proximity to the expanding airports of the Nation. Solutions to the noise problem and naturally the safety facets of these studies offer a very difficult challenge to the legislative and regulatory agencies of the Federal Government.

In closing, let me state that while the 1st session of the 87th Congress was marked with certain achievements and admitted failures in dealing with some of the delicate and critical domestic and foreign problems of this Nation, we face an even more difficult session next year with the seething world situation and a series of domestic issues which must be dealt with in the shadow of a tremendous national debt and heavy burden of present taxation upon our citizens.

Since this report, while it might appear lengthy, is actually but a comprehensive brief analysis of legislative activity during the past year, my office is prepared to provide detailed information on any and all bills of specific interest to all of my constituents. Requests may be made for such information either through the district office or by writing to my Washington staff, room 1622, New House Office Building.

Completely unsettled at the time of this report is the matter of congressional reapportionment in the State of Illinois. The State legislature has been unable to agree upon reapportioning the congressional districts as required following each decennial census. In the event an agreement cannot be reached during the special session of the State legislature in Springfield this month, I will join 24 incumbent Members in Congress and a host of other candidates in a statewide race for 24 at-large seats. Fully aware of the fact that any reapportionment agreement must be equitable within the realm of geographical and population standards, it is my earnest hope that a feasible plan can be adopted in the interest of preserving the constitutional concept of representative government. For whatever period of time the residents of my present district and citizens throughout the State of Illinois are without such representation on a district-by-district basis, they are without the type of personal representation which the constitutional system was designed to provide. This, however, is a matter which will be resolved by the time the 87th Congress returns for the 2d session next January.

Secretary of Agriculture Freeman's Report

EXTENSION OF REMARKS
OF
HON. WAYNE MORSE
OF OREGON
IN THE SENATE OF THE UNITED STATES
Wednesday, September 27, 1961

Mr. MORSE. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD. A statement by me concerning Secretary of Agriculture Freeman's report.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR WAYNE MORSE

The Honorable Orville H. Freeman has issued under date of September 20, 1961, a summary of his conferences in London and Brussells during the period September 8 through 14, 1961. This summary is most interesting in that it presents clearly and concisely the position of the Secretary with respect to a number of the trade problems affecting American agriculture.

I was particularly pleased to note his comments with respect to apple and pear exports to the United Kingdom. Because I feel that this summary will be of great interest to many farmers in the State of Oregon, I wish to include the report at this point:

"I went to Europe for three major purposes: To open the first U.S. agricultural exhibit at the London Trade Center; to confer with United Kingdom and Belgium governmental authorities regarding import restrictions on U.S. farm products; and most importantly, to meet with the European Economic Commission, and particularly the Commissioner for Agriculture, regarding tariff and trade problems affecting U.S. agricultural interests in the European Common Market.

"COMMON MARKET

"Roughly about one-half of our current agricultural trade of $1 billion with the Common Market countries is still unsettled in the current Geneva negotiations. Some ex-

tremely important commodities not yet settled are: wheat, wheat flour, corn and grain sorghums, poultry, rice, tobacco, vegetable oils, and prunes.

"For grain products and poultry, the Common Market has proposed the use of variable import levies instead of fixed duties. These duties, without limits, could be used to exclude outside trade completely. As the true economic forces take hold in the Common Market, our trade may even be larger than it is today, but the immediate effect of the application of these unlimited duties would, in my judgment, significantly worsen our trade position. Therefore, I emphasized to the EEC the importance of maintaining our current trade position.

"For other commodities, the EEC has proposed tariffs which are higher than those we now enjoy. For tobacco, the EEC position is further complicated by the fact that whereas we now have a specific duty schedule, the EEC has proposed a split duty, under which a greater charge would be made for our tobacco since it is higher priced than the tobacco of our competitors.

"I felt is imperative to let the EEC know that its present offers could result in serious losses in our agricultural trade with the Community in the next 5 to 10 years. If these proposals were accepted, U.S. grain producers, poultry producers, the tobacco farmers and industry, and rice producers could only conclude that the Six have adopted a highly protective system against their products. The proposed fee system covers 75 percent of the agricultural output of the Six.

"Although my original schedule did not call for a meeting with the full European Economic Commission, I was delighted to find in Brussels that such a meeting had been arranged. After a lengthy talk with Agricultural Commissioner Mansholt, I met with the full Commission for 3 hours. This gave me an opportunity to present our views to the important officials who are charged with the entire EEC program.

"TRADE LIBERALIZATION

"In the United Kingdom we met with senior officials of the Ministry of Agriculture and with Mr. Reginald Mandling, head of the Board of Trade. In these talks we asked for more liberal trade treatment from the British for a number of U.S. agricultural products.

"First, we stressed the need for an end of the discriminatory treatment now accorded to U.S. exports of fresh grapefruit, grapefruit sections, and canned citrus concentrates. For these products, the United Kingdom has liberalized trade for all areas of the world except the dollar area, and that means the United States. The British explained that this restriction has been necessary to protect the position of the British West Indies. We explained that our farm and trade interests in the United States are convinced that the restrictions are purely discriminatory, since other countries are free to supply the United Kingdom market without restriction. The result is that we are steadily losing ground in the United Kingdom market to other suppliers.

"With the British we also discussed apples and pears on which a quota system is in effect for northern hemisphere suppliers (the United States and Canada) which permits 20 percent of the annual quota to be delivered during the first 6 months of the year and 80 percent during the last 6 months. We emphasized that the quota is not flexible enough to permit the entry of larger imports from the dollar area during years of short crops in the United Kingdom. We therefore asked for an increase in the percentage of imports permitted earlier in the season and for an increase in the quota.

"In Belgium we discussed apples and pears and the high license taxes on imports of feed grains. With respect to apples and pears, the Belgians have a calendar system in effect which excludes apples and pears from the dollar area until February or March of each year. At the same time, imports from EEC countries are permitted all year round unless they interfere with Belgian market prices.

"License taxes which the Belgians impose on imports of feed grains are very much like the unlimited variable duties described above. At the present time these license taxes in Belgium have been increased to the point where they are practically equal to the amount our farmers receive for feed grains. We pointed out that the high cost of feed grains to Belgian livestock producers was adding to the cost spiral of livestock products in Belgium thereby inflating the cost of living and causing price problems for Belgian industrial exports; and, also, that they were not really assisting the small farmer in Belgium who would be more efficient in the production of livestock.

"While in Belgium, two other subjects were brought to my attention. First, the Belgian Minister of Agriculture said it was his impression that the United States was excluding ornamental shrubs from his country because of economic protectionism. I explained that I thought that the reason we did so was because of the possibility of disease and insect-transmission on the roots of the plants, but agreed to review the question to assure that the reason for our controls was scientific rather than economic.

"A second matter of great interest in Belgium was the matter of Belgian carpets. The Tariff Commission is now investigating the need for an increase in the tariff on carpet imports. Discussion of this item occurred during our visit with the Belgian Minister of Foreign Commerce. There is little doubt that the outcome of the current carpet investigation will be of great concern to the Belgian Government. In their minds, there is definitely a relationship between what they do for more liberal treatment of our agricultural imports and the outcome of the carpet investigation.

"I believe these discussions with the EEC members, the British, and the Belgians helped to clarify and strengthen our position. While no commitments were forthcoming on any of the specific matters discussed, I am hopeful that the way has been opened for improvement of our situation.

"LONDON TRADE CENTER AND MARKET DEVELOPMENT

"In London, I opened the first U.S. agricultural exhibit at the U.S. Trade Center. The exhibit was well done and attracted a large audience. More than 100 United States and British trade people were represented at a special preview of the exhibit. I am sure that through such promotion we can substantially expand our sales of these products in the British market, which has traditionally been our largest outlet for agricultural exports.

"Also in London, I met with U.S. market development cooperators in Europe. This is the joint effort with American farm and trade groups to expand the marketing and improve the utilization of American farm products in oversea markets. I was pleased to be able to report to them that the Congress has approved a dollar appropriation that will permit an expansion of our trade promotion program in Western Europe and provide funds to carry the programs forward on a 3-year basis instead of the 2-year basis previously authorized."

Keep Public Drinking Water Pure

EXTENSION OF REMARKS
OF
HON. WALTER S. BARING
OF NEVADA
IN THE HOUSE OF REPRESENTATIVES
Wednesday, September 27, 1961

Mr. BARING. Mr. Speaker, I feel it is of utmost importance that I focus the attention of this Congress on an issue which is sorely dividing our Nation at so critical a time when our very existence is dependent upon our ability to strengthen our national unity.

I refer to a program launched by a subagency in the Health, Education, and Welfare Department of this administration to promote fluoridation throughout cities, towns, communities, and all States of this Nation.

During the past year voters representing some 2,500,000 water users in 43 out of 56 cities rejected fluoridation with little more than about 50,000 having accepted.

Water is a prime necessity for life. All people are dependent upon pure, uncontaminated water. The addition of any substance to a public water supply for the purpose of affecting the bodies or mental function of the consumer establishes a dangerous precedent and preempts the inalienable right of the individual to determine what shall be done to and with his body as long as in the exercise of that right he does not infringe upon the equal rights of his fellow citizens.

An article which appeared in one of the most recent medical publications confirms that damage to bones can result from fluoride which occurs in natural water at a level as low as 0.8 parts per million. The U.S. Public Health Service claims on one hand that no harm can result from natural fluoride water as high as 8.0 parts per million, yet they require many communities where this occurs to reduce the fluoride content when it exceeds 1.5 parts per million—or abandon the source of supply. This clearly demonstrates that the U.S. Public Health Service itself realizes that the margin of safety is either narrow or nonexistent.

To use the very words of Dr. Walter L. Bierring, M.D., past president of the American Medical Association:

> Prominence in the cause of disease is being given to man's management of the health hazards connected with air pollution, stream pollution, fluoridation, and radiation.

Fluoride additives have been consumed at an increasing rate over the past 50 years. Changes in disease pattern during that same period of time have not been explained away by medical science.

It is a fact that those who want their children to have fluoride can give it individually, in measured doses, with greater safety, greater reliability than if it were put into public water supplies.

Once the precedent of adding fluoride to the public drinking water has been

established, there is almost no limit to the possibilities for the introduction of all manner of drugs. We may open a door which we will never be able to close.

Past errors should have taught official agencies that they should not assume an air of infallibility and an attitude of indifference to public wishes.

Among the many examples which have proven to be "human time bombs" we might cite the approval and use of radon, of thorium, and of iodide in public drinking water for the prevention of goiter, with disastrous results. More recently, the stilbestrol incident, involving a cattle fattening hormone, and the cranberry weedkiller pointed up the justification of the demand by the public for protection from introduction of unnecessary and unwanted chemicals into products intended for human consumption. When the harmful effects of these chemical agents, previously approved for use by an administrative agency of the Government, were brought to national attention, the then Secretary of Health, Education, and Welfare, Arthur S. Flemming, in ordering discontinuance of the use of stilbestrol and the cranberry weedkiller, stated:

> While the argument is going on, the consumer should not, in effect, be asked to serve as a guinea pig. The consumer should never be asked to take a risk of this kind.

I submit that this is the kind of action the Nation is entitled to in the case of fluoridation, especially when there are scientists of Nobel award stature who question the safety of fluoridating public water supplies.

The Association of American Physicians and Surgeons, composed of over 20,000 members of the American Medical Association, condemned mass medication, including fluoridation and the use of the public water supply as a vehicle for drugs. The Medical-Dental Committee on Evaluation of Fluoridation, sponsored by over 1,600 physicians, dentists, and scientists, have critically studied the fluoridation proposal and have shown that it is not safe, that its efficacy has not been demonstrated. They have also shown many reasons why prolonged intake of fluoride may lead to serious chronic conditions for some people. Fluoridation runs counter to the historic policy of the medical profession in maintaining the doctor-patient relationship.

Because of the very important fact that each individual reacts differently to medication, only a physician can determine when fluoride administration should be reduced or terminated.

Another aspect of this fluoridation problem, is a need to bring to the attention of this Congress the unethical methods used in promoting fluoridation, starting with the fourth annual conference of the State dental directors and the Public Health Service held in Washington in June 1951, culminating in a now new accelerated high pressure program of the U.S. Dental Public Health Division that will be conducted through the use of undetermined funds now being requested under House bill 4742 and Senate bill 917.

Mr. Speaker, these are not good bills. They would permit uncontrolled use of Federal funds for promotional schemes not in the best public interest.

Furthermore, this unethical promotion, among other things, now takes the form of aiding certain questionable actions on the part of many State boards of health. These boards while working closely with the U.S. Dental Public Health Division, to impose fluoridation upon an unsuspecting public, are actually supplementing directives which originate at the U.S. Public Health Service. The results are not only misleading in content but, by misrepresentation and distortion, tend to convey to local communities that fluoridation of public water supplies is imperative.

The U.S. Public Health Service has aggressively, through the use of taxpayers' money, promoted fluoridation throughout these United States with grants-in-aid inducements. Fluoridation projects have been underwritten by/or subsidized with Federal funds.

The American Dental Association through close coordination with the U.S. Dental Public Health Division has coercive access to control of vast Federal health funds. It has for years been persistently promoting fluoridation on a national scale, using promotional methods not in accord with the finest American tradition.

Free expression of opinion is being prevented among physicians and dentists; publication and exchange of scientific data among scientists and members of the professions is inhibited by threat of retaliation and economic reprisals. Dentists opposed to fluoridation have reason to fear disciplinary measures from their local dental societies.

When approximately some 60 million people have rejected fluoridation, including those in 100 cities which discontinued it after a trial because of damage to health and property; and when 100 million Americans are now facing possible fluoridation of their drinking water, I believe a most serious Federal policy problem exists.

Our citizens have certain fundamental and constitutional rights. The sooner they are recognized, the sooner we shall resolve the fluoridation controversy. These rights must be expressed as:

First. The right of every citizen to a water supply free from any drug or chemical not required for the purification thereof.

Second. The right of every citizen to a freedom of choice in matters concerning his health so long as this choice does not infringe upon the rights of others.

Third. The right of the professional person, particularly the physician and dentist and scientist, to investigate and to speak freely according to conscience, without fear of censure, and/or reprisal.

I further submit that this program which would treat American citizens as statistical averages rather than individual human beings is needlessly provoking antagonism toward an otherwise effective and important agency of Government. Promotional fluoridation harassment and intimidation of the public is disturbing the tranquility of this Nation at a time when we can least afford it.

Many letters received by the Greater New York Committee Opposed to Fluoridation, from citizen groups representing some several million people of this Nation, are pleading that something be done to combat at the Federal level this promotional menace of forced fluoridation. Certainly when citizens have demonstrated unmistakably their rejection of fluoridation, and when there exists substantial disagreement within the scientific and medical professions as to the safety and efficacy in the fluoridation of potable water, it should not, it must not, be supported at a Federal level.

Appointment of Hon. Paul J. Kilday To Be Judge of U.S. Court of Military Appeals

SPEECH
OF
HON. WILBUR D. MILLS
OF ARKANSAS
IN THE HOUSE OF REPRESENTATIVES
Thursday, September 21, 1961

Mr. MILLS. Mr. Speaker, I join my colleagues in the House of Representatives in paying tribute to one of our most esteemed, admired, and respected colleagues, the Honorable PAUL KILDAY, in his appointment to be a judge of the U.S. Court of Military Appeals.

PAUL KILDAY and I came to Congress in the same year, 1938, and we have been close friends ever since. No finer or more able man has served in the House of Representatives than PAUL KILDAY.

As has been so eloquently pointed out by Members of the Texas delegation, he has one of the brightest legal minds of anyone who has ever been a Member of this body. Indeed, it is not too much to say that PAUL KILDAY is a man of towering intellect. Many times we have observed his handling of complex and intricate legislation on the floor of this House, and many times we have observed the manner in which he is able to explain, in simple, clear, and concise language, the intricacies and complexities of that legislation.

PAUL KILDAY is a man of complete integrity. Not the least of his outstanding qualities, however, is his sound judgment. This is a quality which is somewhat rare, and yet is one of the most important qualities which a statesman or a leader in public life can possess.

It is with regret that we learn that PAUL KILDAY will not be with us in the next Congress, but Members can be reassured that his service as a judge on the U.S. Court of Military Appeals will be marked by accomplishments in the judicial arena as significant as those which have marked his accomplishments in the legislative field.

I commend his appointment to this most important tribunal. The best wishes of all the Members of the House are with him in his new endeavor.

Law and the Free Citizen

EXTENSION OF REMARKS
OF
HON. ARNOLD OLSEN
OF MONTANA
IN THE HOUSE OF REPRESENTATIVES
Wednesday, September 27, 1961

Mr. OLSEN. Mr. Speaker, a friend has recently drawn to my attention an article in the Montana Veteran relating to an essay, "Law and the Free Citizen." It was written by John Logan, a member of the English class of John Doohan, of Anaconda Senior High School of Anaconda, Mont. John Logan is attending Williams College, Mass., as a freshman. He received the Tyng scholarship.

I found this a most stimulating article, which I would like to share with my colleagues:

JOHN LOGAN'S NATIONAL PRIZE WINNING ESSAY CONSIDERED MASTERPIECE IN LITERATURE

Printed here is the winning essay entry of John Logan, Anaconda Senior High School student who was graduated this spring. John Logan placed first in Montana and third in the national 1960–61 writing contest sponsored by the ladies auxiliary of the Veterans of Foreign Wars. This year's writing subject was "Law and the Free Citizen."

We feel that Logan did such a masterful job of self-expression in his essay, that it is worthy of reproduction for the benefit of our readers.

Logan's essay follows:

"LAW AND THE FREE CITIZEN

"As I kneel before my icon, I pray that I may someday enjoy citizenship in a democracy, a government by law, not by the state. I speak for the millions of oppressed and enslaved peoples of the totalitarian societies of the world. How fortunate are you, the citizens of democracies, the possessors of a great heritage of freedom and justice under law.

"In our atheistic societies, God-given rights are not recognized. Any rights which we may have are granted by the government and consequently the individual is unimportant. Our laws, products of a regimented legislature or of a ruling group's decree, are frequently and easily ignored by those in power. Our police whose prime objective is to preserve the tyrannical state, search without warrant, arrest without charge, and punish without trial. We are then like colonies of bees, efficient but lacking the individual initiative, freedom and happiness which can be based only on the democratic rule of law.

"In your democratic societies, the individual is of great importance. His divine or natural rights are protected and preserved, but also limited so that they do not interfere with the individual rights and freedoms of others.

"Your laws are made by lawfully elected representatives who although they represent the majority, protect the minority.

"Behind the actions of your law enforcement officers lies the strength of conscience and justice, rather than mere force and fear. Freedom of speech, of worship and assembly are recognized. The equality of all before the law, as well as the intrinsic right of all to 'life, liberty, and property,' are preserved.

"You may change your officials, your laws, or even your entire government without resorting to violence, for armed revolution is never necessary in a democracy.

"Yes, you are indeed fortunate.

"But how did you receive this wonderful inheritance? It is, in part, through men such as Hammurabi, Moses, Solon, Cicero, Justinian, and Napoleon, who have helped the rule of law grow.

"The flame of freedom under law was lit in America by the signers of the Mayflower compact who agreed to 'enact, constitute, and frame such just and equal laws unto which we promise all due submission and obedience.'

"The light generated by the Declaration of Independence for nearly 200 years has been dispelling the darkness of tyranny and oppression throughout the world. In unparalled eloquence it reaffirms the premise that governments gain their power and authority from the consent of the governed.

"The U.S. Constitution is a glowing example of the glorious results of a meeting of lawful representatives rather than of opposing armies. The justice and propriety of America attest to the timeless greatness of this document.

"But be not complacent and overconfident, for you citizens of democracies occupy precarious positions, indeed. You take a middle course between the complete lawlessness of anarchistic license and the absolute rule of communistic oppression. So do not expect freedom from government, but freedom through self-government.

"Your freedoms, your rights, and even your entire system may be destroyed by powerful foreign forces or by the far stronger evil of domestic indifference. Be vigilant, for your crime rate, an indicator of the reverence of and adherence to the law, is increasing at a frightening rate. Even average citizens are more frequently violating motor vehicle, hunting, fishing, and tax laws.

"Comparatively few people vote regularly and even fewer are active in politics. There is, then, a definite need for increased civic effectiveness on the part of all citizens.

"How must you combat these forces of domestic decay? You can practice in yourself and encourage in others individual virtue, for, after all, the effectiveness of the law is limited by the character of the individual citizens.

"Become educated and informed in matters of politics and encourage all others to make politics their avocation.

"Be sure you elect honest officials and lawmakers who represent your views. If the laws are not supported by the majority, they cannot be enforced. The corruption and crime introduced by prohibition show how dangerous a poor law can be.

"In deciding which new measures to support, consider them carefully. Are they constant with the basic democratic principles? Are they too gentle or too severe? If they are too gentle they will be disregarded or if too severe they will be unenforcible. Are they comprehensive enough to prohibit tyranny and yet limited enough to allow freedom? Are they explicit so that they may prevent crimes and presettle disputes by their clarity?

"Constantly reexamine present statutes, for there is no magic perfection in existing laws.

"Insist on strict and absolute enforcement. All laws must be binding on all people, or every law will be disrespected and ignored. Rigidly stay within the limits of existing legislation, since a disregard of one limit will inevitably lead to a disregard of all legal limits.

"Obey all laws, for they are sacredly binding upon all, since the majority consented to and approved of them. Drive your car according to law, be a true sportsman who obeys all regulations, and be honest and fair in paying your taxes which are your contributions to your government—your liberty insurance.

"Assist in preventing crime, give evidence freely, and serve on the jury willingly. Fulfill all the sacred obligations of citizenship. Be informed, be active, and be aggressive in performing these duties. The time to guard against oppression is before it comes.

"Certainly some of your laws have faults, but your security lies in knowing them and in working to improve them. Revise, enforce, and obey your laws, for their strengths are your strengths and their weaknesses are your weaknesses. Preserve, extend, and pass on your government of law to all the oppressed peoples of the world. Remember, there are many of us who have given and will give our lives for the bulwark and the basis of freedom, the law."

Establishment of Voluntary Pension Plans by Self-Employed Individuals

EXTENSION OF REMARKS
OF
Hon. EVERETT McKINLEY DIRKSEN
OF ILLINOIS
IN THE SENATE OF THE UNITED STATES
Wednesday, September 27, 1961

Mr. DIRKSEN. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD a statement by me concerning H.R. 10, a bill to encourage the establishment of voluntary pension plans by self-employed individuals.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR DIRKSEN

For the past 10 years I have followed with considerable interest H.R. 10, a bill to encourage the establishment of voluntary pension plans by self-employed individuals. I have long been in favor of the principle of this legislation, but on several occasions during the course of this 10-year period I found it necessary to differ with the proponents as to the method of achieving their goal. Today I am pleased to say that I wholeheartedly endorse H.R. 10 as reported by the Senate Finance Committee. The features which I found objectionable in the past have either been eliminated or changed to the point where I can, in all good conscience, embrace this legislation.

Practically everyone who is acquainted with this subject will agree that the principle of this legislation as now proposed is sound. Certainly the Members of the House recognized this in the 85th and 86th Congresses and again in this session when they passed H.R. 10 by a practically unanimous vote. Certainly the members of the Senate Finance Committee in the 86th Congress recognized this when, after extensive hearings, they approved H.R. 10 by a 12 to 5 vote. On August 25 of this year, this committee ordered H.R. 10 favorably reported 14 to 3.

It was apparent to me, after reading the minority views in the Senate Finance Committee report, that a number of misconceptions still exist in the minds of two of my distinguished colleagues. Their proposals were heard and voted down by the committee in the 86th Congress and again this year. I am confident that the proponents of this legislation will, on the floor of this Congress, meet these arguments again and in such a way as to gain the overwhelming support of this body. Rather than criticize, I wish to commend the spokesmen for the various national self-employed groups because, to the best of my knowledge, at no time have they said, "If

you won't give us these benefits, then we wish to have them taken away from the corporate employees."

This is a good bill and for a number of reasons, one of which is the fact that it encourages people to help themselves. It encourages initiative, self-reliance, and the other qualities which helped to make this country great, but qualities, which I regret to say, are disappearing rapidly from the American scene. This Congress has an opportunity to resurrect these attributes which are so desperately needed by our country at this time by enacting H.R. 10 into law.

This remedial legislation is designed to correct an inequity in our tax structure which prevents this Nation's 10 million small business, farm, and professional people from receiving treatment comparable to that which is accorded corporate employees.

The impetus for the steady growth in corporate coverage was supplied in 1942 by the 77th Congress when it wisely enacted legislation which encouraged corporations to promote the economic well-being and future security of their employees. One has only to look at the increase which has occurred since 1940 to appreciate the soundness of this legislation. In that year 4.1 million were covered; in 1950, 9.8 million; and in 1960 the figure rose to 20 million. Approximately 1 million people are being added each year to private pension plans.

When we add to the 1960 total the approximately 8 million covered by State and local government plans, civil service, armed services, railroad retirement systems, etc., the total number of Americans covered by pension plans is approximately 30 million people.

H.R. 10 does not, as its few opponents would have you believe; broaden a tax loophole, and open a Pandora's box, but rather extends what has been proven over the past 19 years to be sound legislation to the point where it includes a dedicated, courageous group of Americans, the self-employed.

To accomplish this, self-employed persons are treated for retirement plan purposes as the employers of themselves. This was the fundamental concept of the House bill and it is retained in the Senate Finance Committee's substitute. As employers, self-employed individuals are permitted, like other employers, to deduct contributions (within specified limits) made to pension or profit-sharing plans for the benefit of themselves and such other employees as may be covered under the plan. Under the committee bill, a self-employed person would be permitted to contribute to a retirement plan 10 percent of his earned income or $2,500, whichever is the lesser. He would be permitted to deduct 100 percent of the first $1,000 contributed and 50 percent of the remaining $1,500, which may be contributed. The maximum deductible amount would be $1,750.

As employees, as with other employees, they are not taxed on such contributions made for their benefit, or the income thereon, until they receive the funds upon retirement or otherwise.

The committee changes have drastically reduced the size of the revenue deferral, in fact to a point where this can no longer be used as a major argument against this measure. Oh, I am not deluding myself, because there will be some who will cry economy, who will use the international situation as an excuse for opposing this bill; but these few, time and time again have, and will continue, to support domestic programs with high price tages and questionable dollar value.

The estimates for H.R. 10 range from less than $100 million to $200 million. In view of the actual experience in other countries, Great Britain, Canada, and New Zealand; and the fact that the Treasury Department generally overestimates, I am inclined to accept the lower figure.

Regardless of the exact amount, I wish to remind you that the potential revenue deferral is already made possible in the present tax law since the establishment of tax-deferred pension plans is available to any self-employed person who incorporates his business or occupation.

If we fail to act in this Congress, we will, I am ecrtain, force a great many of this Nation's self-employed to incorporate and in most cases solely for the purpose of gaining tax treatment relative to their retirement savings similar to that which is offered their corporate brethren. Passage of H.R. 10 will encourage these fine, hard-working Americans to retain their self-employed status, defeat will be a major blow to them and an invitation to incorporate for tax advantage because of their natural desire to protect themselves in their later years. Now I don't believe we can afford the loss of too many more self-employed without jeopardizing the position of this country both on the domestic and international fronts.

H.R. 10 is a good bill, it is a just bill. I urge my colleagues on both sides of the aisle to join with me in working for the early enactment of H.R. 10 in the 2d session of the 87th Congress.

Search for Scapegoats

EXTENSION OF REMARKS
OF
HON. JOHN MARSHALL BUTLER
OF MARYLAND
IN THE SENATE OF THE UNITED STATES
Wednesday, September 27, 1961

Mr. BUTLER. Mr. President, as a member of the Joint Economic Committee, the problem of inflation has long been of great concern to me. In fact, on April 6, 1957, in an address at Pittsburgh, I foresaw the possibility of a gold crisis which unfortunately materialized some 2 years later.

There has been a strange disposition on the part of the administration to condemn price increases in certain industries, particularly steel. No concern has been shown for cost increases which, if not compensated by price increases, may jeopardize the existence of all industries. The excuse frequently advanced for singling out steel is that it is the bellwether of the economy.

The total sales of the steel industry in 1960 as reported by the American Iron and Steel Institute, which represents 95 percent of the capacity of this industry, were $14 billion. To be sure, this is a lot of money. However, to appreciate the true significance of this sum, it must be related to other indicators of economic activity. For example, it represents less than 3 percent of our country's gross national product. On the other hand, the Federal Government's receipts from the public in 1960 totaled $95 billion, which is 18.8 percent of our gross national product.

This Congress has authorized more new projects and approved more backdoor spending in a shorter period of time than any other with which I am familiar. This was done in spite of the need to meet our rising defense commitments by reducing nonessential civilian programs. Excessive spending by the Federal Government is contributing mightily toward new inflationary pressures.

Private individuals, business firms, as well as State and local governments cannot indefinitely increase the money supply. However, the Federal Government may do so by directly borrowing from the commercial banking system of the country through the issuance of new securities. This Congress has authorized an additional $14 billion of borrowing by increasing the ceiling on the national debt to $298 billion.

Inflation is produced by other governmental policies, some of which are not immediately recognized. For example, the State Department is endeavoring to assist underdeveloped countries by raising the market price of their principal export commodities. In fact, every American housewife will be affected if present plans are carried through as the wholesale price of coffee will be raised by 10 cents per pound through an International Commodity Agreement.

Barron's magazine, a respected business and financial weekly, places the blame for inflation where it belongs, on the policies of the Federal Government. Mr. President, I ask unanimous consent that an editorial entitled "Search for Scapegoats" from its August 28 issue may be printed in the RECORD at this point.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

SEARCH FOR SCAPEGOATS—WASHINGTON ALONE IS TO BLAME FOR INFLATION

Through the CONGRESSIONAL RECORD, a journal which often may be read for pleasure as well as profit, the Nation last week found itself privy to the following exchange of courtesies between Senators ALBERT GORE, Democrat of Tennessee, and STUART SYMINGTON, Democrat, of Missouri. "Mr. GORE: 'I dare not undertake to express my views on large successful business operations, as my distinguished colleague from Missouri, who before disposing of his investment in private industry, was a marked success.' Mr. SYMINGTON: 'The Senator is very kind, as well as able. I understand he has not done so badly.'" Having set the RECORD straight on each other's finances, the two men of affairs, with the help of several like-minded lawmakers, thereupon proceeded to tell the steel industry in no uncertain terms how to run its business. Although wages of the steelworkers are scheduled to go up in October, the producers, so the Senators averred, "neither need nor deserve higher prices."

Taken alone, the foregoing colloquy might be filed and forgotten under what has been aptly captioned "Wind on Capitol Hill." Unfortunately, however, in this particular wind the observer can discern more than one significant straw. Just before the coterie of Senators took the floor to berate the steel masters, the Secretary of Agriculture, upon hearing of a prospective rise in the price of bread, publicly assailed the Nation's bakers. More generally, administration spokesmen have begun to stress the necessity for businessman and worker alike to exercise restraint, and to refrain from charging all that the traffic will bear. Such tactics, which might be termed open-mouth operations, obviously strike Washington as a shrewd means of clamping a more or less voluntary lid on prices (and, if imperative, perhaps on wages as well). The rest of the country, however, well may challenge both the means and the ends. For while the campaign has been launched with the con-

nivance of a few in Congress, it obviously constitutes a reckless, ill-considered, and wholly unsanctioned intrustion into the Nation's economic affairs. Moreover, if the past be any guide, it simply won't work. For the true villain of the piece is neither industry nor labor but Government, or more accurately, the credit and fiscal excesses which only the Federal Government can commit.

These truths, as well as several others, went by the board in Washington last week. In a letter to the American Bakers Association, the Secretary of Agriculture urged its members to think twice before raising the price of bread, "especially in view of the possible public reaction." Senator GORE had much more to say about steel First, he repeated the popular fiction that "steel prices are not set by competitive forces of the market, but by arbitrary arrangements made among the managers of large companies." He cited an estimate by the President's Council of Economic Advisers as proof that in the fourth quarter of 1961, the industry, even in the absence of higher prices, would enjoy a "good rate of return." Finally, "in the name of the public welfare," he demanded that the Government use every possible weapon—including moral suasion by the President, antitrust action by the Department of Justice and, if all else failed, "utility-type regulation"—to keep Pittsburgh in line.

In another day and age, such proposals would have drawn a stinging rebuke, either from the opposition party or, most certainly, from the private interests involved. To date, however, the response has been faint. In a mildly worded reply to Mr. Freeman, the bakers merely pointed out that the cost of flour has gone up and that the association, unlike its individual members, has nothing to do with setting prices. As for steel, a trade publication has criticized some of the specific points raised by Senator GORE, most notably the CEA forecast of fourth-quarter profits. The industry itself, however, has held its peace.

While perhaps understandable, its continued silence is a matter of regret. For as even a moment's reflection suggests, there is a great deal indeed to be said. To begin with, in making his threadbare charges about so-called administered prices, Senator GORE, either by accident or design, wholly disregarded what in fact has been going on in the marketplace. For months (Barron's, June 12) the steel industry has been plagued by a rash of price-cutting in such products as electric-weld pipe, reinforcing bars and stainless sheet and strip. Even as the solon was speaking, his comments were being refuted by the Youngstown Sheet & Tube Co., which, after seeking for 8 weeks to exact a higher price for rigid conduit from its presumably helpless customers, last Tuesday had to beat a retreat. As for steel prices and profits, this publication does not presume to judge whether they are too high, too low or just right, and we commend the same restraint to Senator GORE and his followers. For what they are advocating is tantamount, willynilly, to peacetime Federal price control, unaccompanied by any curb on wages, and aimed solely at one line of business. If allowed to prevail, so outrageous a policy would spell the end of free enterprise in steel and the beginning of the end for the rights of private property everywhere.

Steel prices, in short, are the proper concern not of Congress but of those who own and operate steel mills. Pittsburgh alone must decide in October whether competitive conditions, current and prospective, warrant a higher price. Meanwhile, lawmakers who are genuinely troubled at the prospect of inflation need scarcely be idled. There is much to do right in their own bailiwick. For example, they can do something about a farm program which recently upped the support price for raw cotton, thereby touching off a spiral throughout the textile and garment trades. They might probe into U.S. quotas on fuel oil, which effectively have raised heating costs throughout the northeast. They might crack down upon a State Department which cheerfully exhorts the U.S. consumer, in the name of hemispheric solidarity, to pay 10 cents more per pound for coffee. If truly alarmed, the lawmakers even might urge the White House to alter its dangerous easy money bias and to tighten the Federal pursestrings.

On such issues, rather than on the price of steel, the dollar will stand or fall. If Washington continues to throw its weight against the consumer in one market after another, to keep credit plentiful and cheap and to run endless budget deficits, the currency sooner or later must suffer. Inflation cannot be stopped by exhortations or threats to private citizens, individual or corporate, or by the search for scapegoats. It can be stopped only by the determination, at the highest Government levels, to embrace a measure of financial restraint.

Protectionists Gain, Peril Kennedy 1962 Bid for More Liberal Law

EXTENSION OF REMARKS
OF
HON. WAYNE MORSE
OF OREGON
IN THE SENATE OF THE UNITED STATES
Wednesday, September 27, 1961

Mr. MORSE. Mr. President, a number of Oregon farmers, especially those connected with our growing seed industry have been disappointed by the failure of the Tariff Commission to give what they consider to be adequate consideration to the needs of agricultural industries.

In this connection, they have directed my attention to the article which appeared in the September 20, 1961, issue of the Wall Street Journal. The material contained in this article, I think, will be of great interest to Senators. I ask unanimous consent that the article be printed at this point in my remarks.

There being no objection the article was ordered to be printed in the RECORD, as follows:

PROTECTIONISTS GAIN, PERIL KENNEDY 1962 BID FOR MORE LIBERAL LAW—CAMERA, RADIO, TEXTILE FIRMS' PLEAS SWAY CONGRESSMEN; UNEMPLOYMENT IS A FACTOR—A SHIFT IN THE SOUTHERN VIEW

(By John A. Grimes, staff reporter of the Wall Street Journal)

WASHINGTON.—President Kennedy's free-trade drive in 1962 will face a towering obstacle: congressional protectionist sentiment of a magnitude not seen since the high-tariff twenties.

Well in advance of next year's administration push to extend and liberalize the reciprocal trade law, demands for defense against import competition are swelling mightily. Members of both parties from many parts of the land are responding to home-State complaints from industry and labor about real or threatened damage from the rising influx of foreign goods. There are growing rumblings of discontent about the effectiveness of present safeguards. Scarcely a week goes by without a new speech on the House or Senate floor calling for import quotas on some foreign product—a step essentially distasteful to the Kennedy regime.

"You can start with bread along the Canadian border and go all the way down to strawberries on the Mexican border; I don't think you can find many holes in the map where there isn't a complaint from someone about imports," remarks a key House official.

A House Democrat runs through this list of plaintiff industries: "Coal, some steel, pottery, cement, oil, glass, some machinery, lead and zinc, cameras, transistor radios, all kinds of textiles, clothing, baseball gloves, fishing rods; all these and more are howling about imports." And, he adds, "Congressmen are listening now."

PROTECTIONIST RESOLUTION

Sample response: More frequent introductions of the perennial protectionist resolution urging that the Senate and House declare it the sense of Congress that no more tariff-easing agreements be negotiated by the executive branch during the remaining life of the Reciprocal Trade Agreements Act expiring next year. This resolution has been introduced more than 70 times this session, compared with some 40 last year.

"This isn't a case of the same old protectionist groups making more noise," cautions a long-time House stalwart for freer trade who has been doing some private sampling. "This time there's more of 'em." An ardent protectionist who has done his own polling cheerfully agrees. "We're the strongest we've been since the first reciprocal trade law in 1934," he enthuses.

A potent combination of political and economic forces underlies this gain in strength.

The departure of President Eisenhower, for one thing, has put more Republicans in the protectionist column. "Mr. Eisenhower dragged a lot of kicking and screaming Republicans along with him on trade," asserts a key legislator. "Now that he's gone, they're reverting to type." Senator BENNETT, of Utah, who backed Ike on trade legislation in 1958, is urging safeguards now against certain meat imports. Also, almost all of the GOP's 21-seat gain in the House in the 1960 election is counted a plus for protectionism.

SOUTHERN VIEW CHANGES

On the Democratic side, the southerners who began abandoning their traditional free-trade stance as Dixie industrialized are turning more protectionist as foreign invasion of their markets grows.

Ths year influential Democratic Representative VINSON, of Georgia, engineered a demonstration in which some 70 textile-State lawmakers, mostly Democrats, stood up on the House floor and demanded import controls. Senator BYRD is backing away from his traditional support of freer trade legislation.

More border State and northern Democrats are heading the same way. Even such liberal Senators as MUSKIE, of Maine and MCCARTHY, of Minnesota want to require consideration of foreign wage rates in any decision on relief from import competition. Outspoken for more protection is New York's Representative STRATTON, whose upstate district encompasses such import-affected industries as textiles, gloves, and General Electric Co.'s heavy electrical equipment works at Schenectady. More and more northern Congressmen are feeling the heat from local unions, including those of Walter Reuther's United Auto Workers, even though national labor leaders favor liberalized trade.

Much of this pressure is prompted by the fact that unemployment on a seasonally adjusted basis, has remained at almost 7 percent of the labor force, despite economic recovery. "If you've got any unemployment in your district at all, you have a hard time justifying a free trade position," asserts a

midwestern Democrat. Another lawmaker complains: "Whatever may be the cause of unemployment, imports get the blame."

MACHINERY, TEXTILE IMPORTS UP

The incoming tide of foreign goods clearly is increasing in amount and variety. Spurred by economic recovery in this country, U.S. imports jumped in July, the latest month for which figures are available, to the highest monthly level since September 1959. At nearly $1.4 billion, adjusted for seasonal fluctuation, this was 16 percent over the June level and 9 percent above that of July last year. Increases were reported in U.S. purchases of machinery, vehicles, metals, and textile products. Not only is there a rising flow from longtime suppliers abroad, but newly developing lands are seeking out the rich American market. One recently introduced item: tennis racquets from Pakistan.

Obviously the rising winds of protectionism on Capitol Hill portend a major battle against the administration's attempt to extend the expiring Reciprocal Trade Agreements Act and push into new ground. Rather than trimming back past trade concessions, White House officials are hunting ways to open the domestic market wider to foreign producers. The key aim: To supply Mr. Kennedy with bargaining tools to prevent U.S. goods from being closed out of trading blocs abroad, such as Europe's six-nation Common Market. Instead of the cumbersome item-by-item tariff-cutting authority first handed President Roosevelt and extended 11 times since then, Mr. Kennedy may seek new powers to slash import duties on a broad range of commodities.

"Unless the present mood of Congress changes completely, any idea that the administration can get approval of this sort of thing is sheer fantasy," snaps a Southern Democrat.

A TRIP TO HOLLYWOOD

Even now, protectionists are working to build a solid case against trade liberalization next year. Democratic Representative DENT, of Pennsylvania, a consistent foe of freer trade, heads a House subcommittee that has collected evidence from far and wide of import damage to U.S. employment. So far, Mr. DENT's group has delved into textiles and cheese and has even taken testimony on the effect of foreign airlines' invasion of the United States on employment of American pilots. In the works: A subcommittee trip to Hollywood to inquire into the effects of foreign film imports on U.S. moviemaking.

Although Congress hasn't had major trade legislation to deal with at this session, significant indicators of increased protectionist power keep showing up in legislative measures. House lawmakers wrote into the foreign aid authorization bill a provision barring loans to nations for building or running any plants that would produce goods in competition with U.S. manufacturers, unless such nations promised to limit exports to this country to 10 percent of annual output. Although a Senate-House conference eased the restriction to 20 percent, the amendment stayed in the measure.

Protectionists claim credit for the pressures that brought insertion of a "stiff-interpretation" into the treaty for U.S. membership in the 20-nation Organization for Economic Cooperation and Development. Reflecting concern over possible dilution by the Organization of this country's control of its own trade policies, the provision specified that U.S. membership would neither lessen nor expand this Nation's sovereign powers.

DEMANDS FOR RELIEF

What many lawmakers want as a price for any support for trade liberalization is some firm assurance of more relief for import-injured industries. Such help could take the form of administration-proposed import quotas for certain products, or simply of greater Presidential acceptance of Tariff Commission recommendations for curbing imports or raising tariffs to protect domestic producers.

Strong words of warning have come from Mr. VINSON, one of the administration's ablest votegetters among southern Democrats: "Unless quotas are imposed that will provide the necessary protection to the textile industry in the United States, I think I can safely predict that at least some of the Members who voted to extend the Reciprocal Trade Agreements Act in 1958 will have second thoughts if a bill to extend the act is presented on the floor in 1962."

Since he spoke, the United States has worked out an agreement with 16 nations to reduce cotton textile imports to this country and reroute some of the flow to other lands. How effective it will be in curbing the competition and relaxing congressional pressure for action remains to be seen.

"This administration has got to recognize that industries are getting hurt," declares a key Southern Democrat. "Kennedy can't go on ignoring Tariff Commission recommendations like Eisenhower did."

CURBING PRESIDENTIAL POWER

Of 35 recent cases in which relief was recommended by the Tariff Commission, Congressman STRATTON, of New York, relates 22 were turned down by the White House—"a sorry percentage," he scoffs. To stop this sort of thing, protectionists would like to make Tariff Commission recommendations mandatory, rather than leaving final judgment up to the President; such a sharp change does not seem likely to be adopted soon, however.

Congress' mood is not lost on the administration, in any case. Indeed, some lawmakers suspect Mr. Kennedy has recently been careful to avoid a congressional rebuff on tariffs. He sent back for further study recent unanimous Tariff Commission recommendations for relief for domestic industries against imports of baseball gloves, ceramic mosaic tile, and certain kinds of glass, these Congressmen note. A Presidential "No," they suggest, might have been overridden by a two-thirds vote of Congress—a check provided in the 1958 extension of the trade law.

In both the substance and presentation of its 1962 trade proposals, the administration will strive to anticipate and overcome congressional objections. A key feature of its new program is expected to be a broad new plan to ease the impact of further tariff cuts. Rather than relying on higher tariffs or import quotas to protect domestic industries, the plan would emphasize increased Government help to "rehabilitate" companies, industries, or communities hard hit by imports.

Soon Cabinet officials and their top aids will "start beating the drums" for the new trade approach, promises one official. "Once the President gets into the fight," insists another, "it will put a whole new perspective on things." To help cultivate support for free trade plans both in Congress and in the business world, Mr. Kennedy has already named a Republican banker, Howard C. Petersen, as a special White House assistant.

The administration's congressional allies won't be idle, either. One administration lieutenant in the House remarks: "I expect to do a lot of talking on this matter between sessions." Democratic Representative BOGGS, of Louisiana, a long-time battler for freer trade, plans public hearings next month by his Foreign Economic Policy Subcommittee of the Joint Economic Committee. He expects the testimony will provide much ammunition against the protectionist attack. Mr. BOGGS has also signed up former Secretary of State Herter to help head a study of world economic and trade problems.

Report by Congressman Perkins Bass to the 2d Congressional District of New Hampshire on 1st Session, 87th Congress, September 1961

EXTENSION OF REMARKS
OF
HON. PERKINS BASS
OF NEW HAMPSHIRE
IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 27, 1961

Mr. BASS of New Hampshire. Mr. Speaker, it is a good time to look at the record, now that Congress has finally concluded this very lengthy 1st session of the 87th Congress. This report recaps the activities of the House and Senate during this past so-called honeymoon session.

If we were to characterize the congressional attitude of 1961 toward defense and foreign affairs, it would have to be one of bipartisanship and all but unanimous support of President Kennedy in his first 8 months of office. And this in spite of considerable feeling that the new administration had badly handled situations in Cuba and Laos.

As it has been since the beginning of the cold war, the Communist threat to our security posed by the military power of Russia and their goal of world domination overshadows everything else. To meet this threat, Congress approved, and in several instances exceeded, Presidential requests for military spending. As a result, the United States will spend over $51 billion in fiscal year 1962 for its security or about $275 for every person in the United States. Vast as these expenditures seem, the final appropriations were approved by unanimous roll-call votes in both the House and Senate. Also authorized was the callup of some 250,000 reservists and national guardsmen.

Economic and military assistance to our allies and the uncommitted nations roughly equal to last year's $4 billion commitment, were passed. An economic development loan fund with a 5-year authorization was approved, but with the requirement of yearly congressional appropriations. Many felt, as I did, that while the 5-year authorization was necessary for continuity in programing long-range development projects, it was equally necessary that Congress maintain a fiscal review. In this instance, the Republican minority insisted upon a constructive requirement in the foreign-aid program.

From my own Science and Astronautics Committee came a $1.7 billion space exploration appropriation. While I favored the original Kennedy request for $1.2 billion, I could not support the last minute request of $500 million largely for a "crash" program to push the man-to-the-moon project. I felt this second request was wasteful of our scientific and fiscal resources.

To balance the vast armament expenditures, the Congress did move in a small way to implement the growing need for disarmament by approving the

establishment of a Disarmament Agency to advise the President on effective disarmament techniques, looking to the time when the Russians are prepared to sit down and make serious progress towards world disarmament.

The Congress appropriated some $600 million to support President Kennedy's "Alliance for Progress" program for South American development. Also the successful Public Law 480 program for distributing surplus farm products to the needy of the world was extended indefinitely. Congressional approval was given to the President's Peace Corps and the Congress without dissent approved resolutions urging that the United States continue its firm opposition to U.S. diplomatic recognition of the Red Chinese Government or its admission to the United Nations.

On the homefront, New Hampshire residents will be interested in legislation to reimburse the State for claims paid by it for property damage suffered as a result of the 1957 Worcester, Mass., plane crash. Operated by a member of the New Hampshire National Guard, the plane was on a flight authorized by the Department of Defense. The State was reimbursed in the amount of $65,049.93. Also receiving congressional approval during the past session, were funds for the Souhegan Valley watershed project in Hillsboro County, as well as planning funds for a new Federal building for Concord.

The President's early antirecession proposals were well supported by both parties and both Houses of Congress. Quickly passed were a 13-week $1 billion extension of unemployment benefits with a companion $300 million bill increasing benefits to dependent children of the unemployed. In the same "era of good feeling" a much needed increase in minimum social security benefits were approved.

More grudgingly approved by midsession were a $4.9 billion housing bill, a $400 million depressed areas program, and a minimum wage bill providing a gradual increase to $1.25 per hour and extending coverage to an additional 3.5 million workers.

But as Congress continued its lengthy session, its resistance seemed to stiffen so that the final tally lists many Kennedy domestic proposals that had been postponed or defeated by adjournment time. Several factors were responsible for this—the ever present question of whether or not new or expanded welfare programs should be undertaken by the Federal Government with accompanying erosion of local responsibility; the problem of further big deficit spending in a period of prosperity on top of large deficits for both fiscal years 1961 and 1962; and the general feeling in Congress that our national resources should be directed more to countering Russian pressures in West Berlin and elsewhere around the world. These feelings were particularly strong in the more conservative House where many controversial domestic proposals of the Kennedy administration such as Federal aid to education, medical care for the aged under social security, and a farm program that would bring all crops under Federal Control were defeated or left for next year's session.

Perhaps the most glaring lapse of the Kennedy administration on the domestic scene was budgetary. The small surplus predicted by President Eisenhower for 1961 was wiped out in weeks by the new administration with its supplemental requests. In place of a projected Eisenhower surplus of $100 million, we finished up with a Kennedy deficit of over $3 billion on June 30. And vast new spending by the Kennedy administration for fiscal 1962, which began this July, promises an even greater deficit which may go as high as $10 billion. The unfortunate thing is that the new administration never matched spending requests with revenue requests.

We are told that an expanding economy will provide the necessary additional tax revenues to support the Kennedy program and that by late 1962 or early 1963 we will be "back in the black." But this method of stimulating tax revenue is highly inflationary and extremely difficult to control. Inflation-fed spending historically stays well ahead of revenues.

The failure of Congress and the administration to show restraint in spending and in its failure to pay for new programs will most surely be felt by us all in 1962. It will be most cruelly felt by people on lower and middle incomes, who are always hurt the most by a cheaper dollar and higher cost of living. This, I fear, is the bitterest domestic legacy of the first Kennedy Congress.

New Challenges in Transportation

EXTENSION OF REMARKS
OF
HON. JOHN MARSHALL BUTLER
OF MARYLAND
IN THE SENATE OF THE UNITED STATES
Wednesday, September 27, 1961

Mr. BUTLER. Mr. President, transportation has played a vital role in the development of the American economy since colonial times. It has made possible the common market which our 50 States enjoy.

Our effectiveness in meeting the challenge of the 1960's is dependent upon our ability to develop each form of transportation to its maximum capability. Our highways, railroads, maritime transport, and our airways each makes a distinctive contribution to our economy. Every effort must be made to permit the most effective integration of these services to best meet the needs of our country on a competitive basis.

The primary concern of government in connection with matters affecting transportation policy is to reduce the cost of goods and services for the consumers of America. A great step forward was accomplished in 1961 when the Interstate Commerce Commission approved the establishment of piggyback rates. This permits shippers to receive the benefits of both highway and railroad services, utilizing each in the most efficient manner on a door-to-door basis.

Piggyback service is already available to many communities. Processors of fresh-killed poultry in Georgia formerly were not in a position to market their products in metropolitan New York because their transportation cost was considerably higher than that of their competitors closer to that area. Railroad piggyback trailers have now changed that situation.

One railroad executive in discussing the future of piggyback service said:

> The potential is terrific. With proper pricing of our services, it should be most attractive to all railroads. We used to make statements to a customer, tell him what we could do. Now we ask him what he wants. And piggyback helps us to give it to him.

A further advantage of this service is that it will alleviate the boxcar shortage which has been a subject of great concern to many shippers. It will no longer be necessary to immobilize railroad-owned boxcars on sidings while they are being loaded and unloaded.

Mr. President, I have a great interest in the subject of transportation since Baltimore is one of the most important ports on our eastern shore. It is vital that cargoes destined for shipment from Baltimore or that comes to Baltimore are transported by land in the most efficient manner so that the useful radius of this great port may be extended as far as possible. Anything that contributes to lowering the cost of transportation will not displace workers but rather will increase job opportunities. Our economy has always expanded and required more employees to provide the goods and services constituting the American standard of living.

Piggyback transportation has already raised the problem of automation which has been of concern to many of my colleagues. On June 1, 1960, the Governor of New York, the Honorable Nelson A. Rockefeller, addressed a special Governors' conference on automation at Cooperstown, N.Y.

In his opening statement to representatives of labor, management, and government, he defined automation as follows:

> Automation essentially is a complex of measures—organizational procedures, techniques and equipment—that combine to augment the output of a given worker in a given amount of time.

He then continued:

> This has raised the specter of possible job displacement on a large scale. But, since automation requires very heavy capital expenditures, the cost of providing the equipment upon which it depends is likely to limit the speed and the extent of its adoption. In a stagnant, slow-growth economy, there would be room for genuine concern over the displacement of men by machines. I do not believe we need fear such a situation in any general national sense in the period ahead. However, I feel very strongly we must be sure that other opportunities are available to the individuals affected by automation.
>
> We should welcome automation because our problem over the coming decade promises to be not one of creating enough jobs but one of creating enough production.

Recently, Premier Khrushchev, in his usual boastful manner, stated that the Soviet Union would surpass the economic output of the United States by 1970. This statement has been repeated on numerous occasions. In a speech commemorating the 40th anniversary of the formation of the Kazakhstan Republic, he admonished his listeners that the Soviet people should eat more horsemeat because it was cheap, nourishing, and after a while one grows to like it. Fortunately, we have not had to encourage our people to eat horsemeat in order to meet our defense commitments.

Half the Soviet labor force must devote their energies to agriculture in order to produce their food supply which would be most inadequate by American standards. Our economy provides more goods and services for all our citizens because only 7 percent of our labor force must expend their efforts on agriculture and related tasks.

While automation has usually been discussed in terms of industry, agriculture has shown the greatest increase in productivity of any sector of our economy. Expanding job opportunities, particularly in the service industries, has required the talents and skills of those people who previously would have been devoted merely to the task of feeding us. History shows that new developments are often resisted by those who lack the vision to see the expanded job opportunities that follow improved processes.

The Congress in the Transportation Act of 1958 endeavored to establish a transportation policy to better enable each form of transportation to serve the public on a competitive basis. It is apparent that during the next session of the Congress, an effort will be made to deny consumers the benefits of competition through the reestablishment of archaic standards of ratemaking by the Interstate Commerce Commission.

A bill, S. 1197, which would have this effect, is now pending before the Senate Commerce Committee. Pressures were exerted to report it during the closing days of this session, but the committee deferred further action on it until next year by a 9 to 3 vote. I am opposed to any measure which would deny consumers the benefits of improved technology developed under competitive conditions. Piggyback operations will be a principal factor to be considered by the Senate if this bill is reported next year.

I believe all of my colleagues will be interested in a presentation of the advantages of piggybacking by Mr. Clair M. Roddewig, president of the Association of Western Railways before the Pacific Northwest Farm Forum on February 14, 1961. Mr. President, I ask unanimous consent that Mr. Roddewig's address may be printed at this point in the RECORD:

NEW CHALLEGES IN TRANSPORTATION

(Address by Clair M. Roddewig, president of the Association of Western Railways, before the Pacific Northwest Farm Forum sponsored by the Spokane Chamber of Commerce, at Spokane, Wash., February 14, 1961)

Gentlemen, it's a pleasure to be with you today. I consider it a privilege to have been invited to address you at this luncheon, and I am also looking forward to participating in this afternoon's panel discussion.

Indeed, we representatives of the western railroads are always happy to meet with leaders of the farming industry. It was the closeworking relationship between farmers and railroaders which settled the West. And it will be continued cooperation between farmers and railroaders, plus that of our expanding industry, which will keep the West progressive.

Certainly, it is at meetings such as this that matters of timely concern to the country should be weighed and considered. And certainly, it is important groups such as yours that must help to guide the thinking of others.

The subject of my address today is "New Challenges in Transportation." Of all the new challenges confronting the railroads and other common carriers, I think the most serious is that posed by the tremendous growth of unregulated and private transportation.

This unregulated transportation has risen sharply each year since the end of World War II. Today it accounts for two-thirds of all intercity truck business and nine-tenths of all inland waterway barge business. This continuing siphoning away of business from common carrier agencies of transportation represents a very real danger to the economic stability of railroads and common carrier truckers.

One of the fastest growing segments of the unregulated types of transportation is the transportation of agricultural commodities by for-hire motor carriers. These competitors of the railroads compete for the agricultural transportation business of the country without regard to published rates and without regard to many other forms of regulation. The railroads, however, must compete for the agricultural business under a very restrictive form of rate control and regulation.

It is the unfairness of this situation that has prompted the railroads to ask Congress either to impose regulation upon the transportation of agricultural commodities by motor vehicle or, in the alternative, to repeal the regulation that is applied to the railroads when they handle such business.

All the railroads seek is competitive equality.

This is but one of many problems which beset the railroad industry. Notwithstanding these problems and the handicaps they impose, railroad management has been hard at work finding ways to compete for the transportation business of the country.

For many years now, management has been emphasizing careful research into the needs of the shipping public. We're searching out the changes that are needed in equipment, service, schedules, and prices. And we're making these changes just as fast as available funds and the regulatory authorities permit.

In recent years, there has been one significant change in transportation law and policy that has given railroads greater flexibility in adjusting their prices to meet the challenge of this growing volume of business being handled by unregulated and private carriage. I'm referring to the important change that was made in the rule of ratemaking by the Transportation Act of 1958. No longer can the Interstate Commerce Commission require railroad rates to be held at unnecessarily high levels just to protect the business of the railroads' competitors.

Prior to the Transportation Act of 1958, the railroads had extreme difficulty in establishing competitive rates. But, as the result of the pricing flexibility gained in the 1958 act, railroads have been making many price adjustments.

One of the impotrant new developments that has sprung from this new-found pricing freedom has been an explosive growth in piggyback service. Competitive rates, coupled with piggyback service, have been attracting many old customers back to the use of railroad service.

Piggyback, of course, is the picturesque name that was originally applied to the transportation of truck trailers on railroad flatcars. This basic idea of transporting truck trailers and other containers on flatcars has expanded in a variety of ways, particularly in the last few years

Today, the term is often used to include the transportation by railroad of freight shipments in truck trailers without chassis, and in vans without wheels; freight in metal containers of various sizes, some as long as trailers; and the shipment of new trucks and automobiles. As many as 12 large automobiles, or 15 compact cars, are now being shipped piggyback on trilevel flatcars.

Some 54 railroads now offer piggyback service as compared with 19 at the start of 1955. In 1954, 44,102 flatcars loaded with truck trailers were handled by the railroads. In 1955, piggyback loadings increased to 168,150, and kept on pyramiding each year until they reached 415,156 in 1959, and last year passed the half-million mark—totaling 554,212 carloads.

The contribution made by piggybacking to overall income needs of the railroads makes it possible to keep other freight rates at lower levels. And the profits made from piggybacking are helping to finance still other railroad improvements needed by farmers, ranchers, manufacturers, and all others who ship by rail.

Indeed, the producers of agricultural commodities and the raisers of livestock have a direct interest in this new type of railroad transportation. The past year has seen the piggybacking of agricultural commodities, including grain, fresh fruits and vegetables, together with livestock, take on sizable proportions.

It is my judgment that the transportation of agricultural commodities and livestock in piggyback service will be responsible for the next great forward movement in railroad business. That is, unless Mr. James Hoffa, general president of the Teamsters Union, has his way in a three-pronged campaign he has started to destroy piggyback service on the American railroads. Mr. Hoffa has declared war on all forms of piggyback service.

Also, it's a bit tricky to demonstrate why the job security of Mr. Hoffa's over-the-road teamsters is of more importance to the Nation than the job security of railroad workers.

Too, it takes some fairly artistic double-talk to justify Mr. Hoffa's indignation about the injustices to his teamsters who, for the past 30 years, have benefited from Government regulatory policies that have restrained the railroads from competing effectively with the booming cross-country trucking business, which has, in its turn, shrunk the job opportunities of thousands of railroad employees.

And it takes the burning of a lot of midnight oil to dream up any kind of an explanation as to how shippers are being injured by piggyback, when it is the shippers' acceptance and patronage of piggyback that has resulted in the explosive growth of this combination of truck and rail transportation in the last few years.

For example, the railroads are given a pat on the back for the improvements and the economies in the transportation of freight, which they have been able to effect through the development of piggyback—but a kick in the pants for sharing the resulting savings with the users of the new services, because it is attracting business and reducing the job opportunities for the over-the-road teamsters.

On a couple of points, however, there is no inconsistency in the Teamsters' propaganda. And that is when it comes to putting the finger on the railroads and the Inter-

state Commerce Commission, which they have costarred as the villains.

The ICC is portrayed as being under the thumb of the railroads. But in charging that the Commission is unduly disposed to favor the railroads, no attempt is made to explain why, if this were the case, the railroads' troubles have been steadily worsening during the last 30 years, while their competitors by air, water, and highway now account for the greater portion of the Nation's tremendously expanded freight and passenger business.

While looking to Congress to put a crimp in piggyback, Mr. Hoffa is again flexing his own quite considerable muscles.

In the earlier stages of modern piggyback, he forced intercity motor carriers to agree to restrict their use of piggyback. This strategy slowed down, but did not halt the development of this new means of transportation.

The story of piggyback is a fascinating one. Its beginnings reach back more than a century. Its history is still being made. Even today it is no more than a healthy infant.

It was less than 10 years ago that the various components necessary for the creation of this new and vital transportation service began to jell—and from that time on piggyback has been growing by leaps and bounds.

Today it holds the hopes of common carriers by both rail and highway for supplying services that will be more attractive to shippers, and thus minimize the advantages great numbers of them have been finding in operating their own transportation. This "do-it-yourself" or private transportation, as it is usually called, has been developing into an extremely serious threat to both the regulated railroads and the regulated motor carriers.

Piggyback holds also the hopes of the railroads for attracting the traffic they can handle most satisfactorily and economically. In the same measure, it holds the hopes of railroad workers for more job opportunities and greater job security.

The future for piggyback transportation is assured because it combines the advantages of both railroad and motor vehicle transportation into new services that meet the varying requirements of shippers.

Basically, piggyback is combining the economy, speed, and dependability of line-haul by railroad with the flexibility of the truck in loading at the doors of shippers, and delivering at the doors of those to whom the shipments are consigned, usually without any breaking up of loads or other handling between the points of origin and destination.

As the new services shake down into more definite patterns, and experiments with various types of equipment determine which are superior, there inevitably will be standardization along lines that will provide the most economical and satisfactory services.

As this goal looms closer, piggyback doubtless will become interchangeable between most if not all railroads, and will serve many more points than it does at its present stage of development.

Aside from the necessity of designing, building, and experimenting with new equipment, and new facilities for loading and unloading, along with the necessity of reducing line-haul costs and speeding up train schedules—matters which, generally speaking, are under the control of the railroads and railroad workers themselves—it also has been necesasry to overcome another formidable barrier before piggyback service could be made attractive to shippers. This is the barrier made up of obsolete regulatory policies which are under the control of Congress and the Interstate Commerce Commission.

From its infancy, transportation by motor vehicle has been encouraged by the expenditure of billions of dollars on public highways by the Federal and State Governments. This has relieved motor carriers from the necessity of making any capital investment whatever in the greater part of the facilities they require to perform their services.

Because their rights-of-way are publicly owned, they are not taxed as are railroad rights-of-way. Their users, consequently, are not required to pay any taxes on these rights-of-way for the support of education, police and fire protection, welfare and similar services of State and local governments, as must the railroads on their rights-of-way.

But in addition to these and other advantages enjoyed by highway transportation since its beginning, the new industry was protected from railroad competition by rigid regulatory restraints. So while railroads were held under the heavy thumb of regulation that was designed for different times and conditions, their competitors were encouraged to help themselves to all the business they could get—any that, naturally enough, was the most profitable business.

The railroad rate structure, too, had become untouchable. It had been developed during the years when the railroads were, for all practical purposes, the only form of surface transportation along lines that were designed to encourage settlement and production in the newly developing areas in the United States.

Bulky and heavy products of relatively low value were required to be carried to distant markets at rates that often did little more than repay the out-of-pocket costs of the railroads, while manufactured goods of greater value were brought into these areas at higher rates.

A rate structure built up along these lines over a long period of time, and all molded to conform with State and Federal regulations, laws, and court decisions, left the railroads as vulnerable as sitting ducks when highways were improved and motor trucks came upon the scene.

The motor carriers took over all of the high-rated manufactured products they could get, and left the railroads with the less profitable traffic.

The railroads were helpless, and even to this day they have not been completely successful in extricating themselves from some of these harassing heritages of the past.

Efforts to make the necessary adjustments to stem the loss of the more profitable traffic were generally frustrated by the Interstate Commerce Commission, which construed or misconstrued the law—depending on one's point of view—as requiring the Commission to shelter the motor carriers from the competitive rates which the railroads sought repeatedly but futilely to establish.

However, it is important to bear in mind that not all of the traffic the railroads lost to the motor carriers was the result of regulatory restraints. There were other factors, and one of the most important of these was, of course, the service advantages which truck transportation made available to shippers—advantages which are now incorporated in the new piggyback services.

The overall result of the regulatory policies that tied the railroads' hands in competing with the newer form of transportation, together with the other considerations mentioned, has been a precipitous decline since 1930 in the portion of the Nation's freight business handled by the railroads. In 1930 they moved 74 percent of all intercity freight, calculated by ton-miles. In 1960 they transported only 45 percent of the intercity business.

By the early fifties the railroads' financial situation, which had been worsening since the early thirties, began to cause really grave concern. This prompted a series of exhaustive studies by Congress and various Government agencies, and these were the forerunners of the Transportation Act of 1958.

One of the most important provisions of the 1958 act was its clarification of the ratemaking provision of the existing law.

The amendment provided that: "In a proceeding involving competition between carriers of different modes of transportation subject to this Act, the Commission, in determining whether a rate is lower than a reasonable maximum rate, shall consider the facts and circumstances attending the movement of the traffic by the carrier or carriers to which the rate is applicable. Rates of a carrier shall not be held to a particular level to protect the traffic of any other mode of transportation, giving due consideration to the objectives of the national transportation policy declared in this Act."

While the Interstate Commerce Commission has been slow in establishing precedents based on the 1958 act, and some of its decisions will have to be passed on by the courts, nevertheless, the shackles on the railroads have been loosened considerably.

The railroads are now exercising their recently established right to compete, as Congress clearly expected them to do. They are trying to bring about an orderly adjustment of the rate structure more nearly to reflect tansportation costs, rather than leave the rate structure rigidly tied to philosophies which have been unrealistic for many years.

The railroads are cooperating with shippers in developing means of providing more satisfactory transportation services, and means of reducing transportation costs. They are sharing the resulting savings with the shippers.

All of this is producing more business for the railroads. And in no area of transportation have the results been more spectacular than in the explosive growth of piggyback.

These, then, are the happenings that have led to the Teamsters taking the warpath against the railroads and the Interstate Commerce Commission.

The Commission, Mr. Hoffa declares in a letter addressed to his members, "has openly and completely favored the railroads instead of the trucking field, thereby rendering direct harm to the jobs of the Teamster drivers." The implication here that the Commission is somehow obligated to favor the trucking field is interesting, if not convincing.

Mr. Hoffa then goes on to explain that: "When piggyback operations began in earnest several years ago many persons questioned its usefulness * * *. However, the striking phenomenon of the current piggyback boom, which makes it entirely different from earlier piggyback attempts, is its overwhelming growth * * *. Today, following a series of favorable ICC decisions, piggyback is attaining almost fantastic proportions."

Mr. Hoffa finds it convenient to avoid any mention of the effect of the Transportation Act of 1958 may have had on the Commission's decisions. The only apparent explanation for this rather conspicuous omission is that he feels that the fiction of a strictly railroad-ICC conspiracy will best serve his purposes.

"The chief danger of piggyback," Mr. Hoffa continues, "is that scores of Teamsters are already losing their jobs," which is, understandably enough, more important to Mr. Hoffa than the fact that the people who are paying the freight bills of the country are the ones who are making possible what he calls "the fantastic and soaring growth of piggyback."

"Piggyback and the question of containerization are not local problems," Mr. Hoffa emphasizes. "They are national in scope. Every teamster should make it his duty to contact his Senator, his Congressman, and State or local governmental officials and inform them about the economic dangers of piggyback. We ourselves will do everything

possible to get national action on this problem."

Teamsters also are being urged to write to the members of the House and Senate Committees on Interstate and Foreign Commerce.

Needless to say, railroad employees are not going to sit on their hands while Mr. Hoffa is at work. They, too, are writing to their Senators and to their Congressmen.

Gentlemen, the Teamsters Union must not be permitted to hog-tie piggyback service.

I'm confident that neither the Nation's lawmakers nor the Interstate Commerce Commission will allow themselves to be pressured into serving the Teamsters' selfish interests. The public interest is paramount.

Legislation that would halt the fairly priced piggyback service the railroads are giving to thousands of satisfied shippers would be an economic tragedy.

Piggyback service represents transportation progress, and transportation progress is essential to the continued growth of our Nation.

New ideas, new methods, innovations of all kinds that are designed to improve on ways of distributing the Nation's products should be encouraged—not hampered.

Farm interests, ranch interests, mining interests, manufacturing interests—indeed, all shippers—have a vital interest in progressive transportation. All are dependent upon the continuation of healthy common carrier transport.

The public still needs the railroads' "anything, anywhere, anytime" type of service.

With the "right to compete" securely established in the business of transportation—as it exists in every other phase of the American economy—the country can look forward to an ever-increasing quality of railroad service at the lowest possible cost.

Summary of the Record and Accomplishments of the Committee on Ways and Means During the 1st Session of the 87th Congress

EXTENSION OF REMARKS
OF
HON. WILBUR D. MILLS
OF ARKANSAS
IN THE HOUSE OF REPRESENTATIVES
Wednesday, September 27, 1961

Mr. MILLS. Mr. Speaker, in accordance with the usual custom of the chairman of the Committee on Ways and Means, I am pleased to take this opportunity to summarize the record of activity of the Committee on Ways and Means during the 1st session of the 87th Congress.

At the outset, however, I would like to express publicly to the members of the Committee on Ways and Means my sincere appreciation for their devotion to duty and for the conscientious and diligent manner in which they have carried out their responsibilities as legislators and as members of the Committee on Ways and Means. Members of the committee have been most assiduous in applying themselves to the business of the committee and in pursuit to their duties. Obviously, members of the committee have not always agreed on all of the measures which have been reported by the committee, just as I have not agreed with each and every such proposal, but this is the way the committee system operates and the results of our work during this session I am confident will stand the test of time.

As I have pointed out on past occasions in discussing the work of the Committee on Ways and Means, it is clear that the nature of legislation falling within the jurisdiction of the committee is of quite vital importance to each and every American citizen and to our Nation as a whole and it is, therefore, necessary that the members of the Committee on Ways and Means must always proceed with great caution and with the utmost prudence and care in carrying out our legislative functions. It is for this reason, among others, that the committee during this session of the Congress has conducted public hearings on a wide variety of subjects in order to receive extensive and detailed reaction from the general public as to proposals which have been referred to the committee. In fact, the committee has conducted public hearings on 8 major legislative proposals in addition to executive hearings conducted on certain other major and minor proposals. During the course of this session, the committee has held a total of 52 days of public hearings—exclusive of executive sessions—and has directly received testimony, comments and recommendations from a total of over 550 individuals in the course of these hearings. Table 1, which follows, shows the subject and the details of these hearings:

TABLE .—*Hearings held by Committee on Ways and Means, 87th Cong., 1st sess.*

Subject and bill number	Dates held	Number of witnesses
Temporary Unemployment Compensation and Aid to Dependent Children of Unemployed Parents (H.R. 3864 and H.R. 3865). (Printed, 1 part.)	Feb. 15, 16, and 17, 1961 (3 days)	31
Federal-Aid Highway Financing. (Printed, 1 part.)	Mar. 14, 15, 16, 17, 20, and 21, 1961 (6 days).	93
Social Security Amendments of 1961. Executive hearings. (H.R. 4571.) (Printed, 1 part.)	Mar. 9, 13, 22, 24, and 27, 1961 (5 days)	5
President's 1961 Tax Recommendations. (Printed, 4 parts.)	May 3, 4, 5, 8, 9, 10, 11, 12, 15, 16, 17, 18, 19, 22, 23, 24, 25, 26, and 31; June 5, 6, 7, 8, and 9, 1961 (24 days).	217
Temporary Increase in Debt Ceiling. Executive hearing. (Printed, 1 part.)	June 15, 1961 (1 day)	2
Hospital Services for the Aged Under Social Security (H.R. 4222).	July 24, 26, 27, 28, and 31; Aug. 1, 2, 3, and 4, 1961.	140
Tariff Treatment of Shrimp Imports (H.R. 6168)	Aug. 8, 1961	22
Taxation of Mutual Savings and Loan Associations (H.R. 2899 and H.R. 2900).	Aug. 9 and 10, 1961	26
Taxation of Exchanges and Distributions Pursuant to Antitrust Decrees (H.R. 8868, H.R. 8190, H.R. 7349, H.R. 7496, H.R. 7348, H.R. 1123).	Aug. 24, 1961	13

During the course of this session, there was referred to the committee a total of 1,585 bills and resolutions, in addition to 31 executive communications. Moreover, 10 messages of the President of the United States were on subjects within the jurisdiction of the committee. Of the total of 1,585 such bills and resolutions, there were 897 tax bills, 280 tariff bills, 366 social security bills, in addition to 42 bills of a miscellaneous character falling within the committee's jurisdiction. This represents, as has been about the usual average in the past, just under one-fourth of all the public bills and resolutions introduced in the House of Representatives.

During the first session of this Congress, the committee favorably reported to the House of Representatives a total of 44 bills, which total breaks down as follows: 20 tax bills, 15 tariff bills, 4 social security bills, and 5 miscellaneous-type bills. It should be noted in this connection that quite often the committee reports omnibus legislation which, statistically, appears as one bill but which in fact may combine the provisions of a large number of individual bills which were pending before the committee.

For the further information of the Members, I shall insert at this point table 2, which shows a breakdown of the measures referred to the committee, followed by table 3, which sets forth statistics on the status of bills reported by the committee during this Congress:

TABLE 2.—*Bills and resolutions referred to the Committee on Ways and Means, 87th Cong. 1st sess., by category*

Tax	897
Tariff	280
Social security	366
Miscellaneous	42
Total	1,585

TABLE 3.—*Statistics on status of bills reported by the Committee on Ways and Means, 87th Cong., 1st sess.*

	Tax	Tariff	Social security	Miscellaneous	Total
Bills reported to House	20	15	4	5	44
Bills passed House	16	10	3	5	34
Bills reported to Senate	12	5	3	5	25
Bills passed Senate	9	5	3	5	22
Bills enacted into law	8	5	3	5	21

Before reviewing in some detail the legislation which was favorably reported by the committee during this first session, at this point I will present certain

additional statistics on the committee activity which might be of interest.

From early January of this year until the adjournment of the first session, the full Committee on Ways and Means met in executive session 83 times. As I heretofore mentioned, the committee met 52 days in the conduct of public hearings and it is estimated that it will require approximately 13 volumes covering over 8,100 pages of testimony for the printing of these hearings when all are published. In addition to the oral testimony and written statements of those who appeared in person before the committee at the hearings, hundred of statements and expressions of views are printed in the hearings and were given careful consideration by the committee.

In terms of substantive subjects, the committee reported and there was enacted into law both major and minor legislation in a number of areas of the committee's jurisdiction. This included the substance of certain legislation which was recommended by the President as part of his program, in addition to other measures initiated by the committee.

Among the major legislative enactments which became law were the following: the Social Security Amendments of 1961; the Federal Aid Highway Revenue Act of 1961; a temporary major amendment to the aid to dependent children program; and the enactment of the temporary unemployment compensation program.

It should also be pointed out that the committee spent a considerable portion of its time giving consideration to the recommendations made by President Kennedy in his tax message of April 20, 1961. The committee conducted 24 days of public hearings, receiving oral testimony from 217 witnesses, and 25 days in executive sessions on this subject. Certain tentative decisions were made for the purpose of having statutory language drafted and have been embodied in a discussion draft, which has been made available to the public for comment and recommendations. It should be pointed out that no part of this draft has yet been approved by the committee. A summary of the major provisions of this discussion draft is presented immediately following the summary of those bills which were reported by the Committee on Ways and Means.

Mr. Speaker, for the information of the Members, there is presented here a brief summary and digest of the bills reported from the Committee on Ways and Means during the 1st session of the 87th Congress, including a statement of the stage in the legislative process reached by each bill.

TAX LEGISLATION

H.R. 10, by Mr. KEOGH; reported in Senate September 13, 1961: As reported to the House by the Committee on Ways and Means, this bill is designed to encourage the establishment of voluntary retirement plans by self-employed individuals by extending to such plans, and to self-employed individuals covered thereunder, many of the favorable tax benefits present law now provides in the case of qualified retirement plans established by employers for their employees. For retirement plan purposes, self-employed persons would be treated as the employees of themselves and permitted to deduct, within specified limits, contributions made to pension or profit-sharing plans for the benefit of themselves and such other of their employes as would be covered. They would not be taxed on such contributions, or the income thereon, until they receive the funds upon retirement, or otherwise.

In reporting the bill to the Senate, it having passed the House on a motion to suspend the rules, the Finance Committee amended the House bill substantially, retaining, however, the fundamental concept of the House bill.

H.R. 221, by Mr. HARRISON of Virginia; passed House September 19, 1961: This bill, which was reported unanimously by the Committee on Ways and Means and passed the House by voice vote, relates to the imposition of the manufacturer's excise tax on tires and inner tubes. Under present law, the tax is imposed at the time the tires or inner tubes are sold by the manufacturer, producer, or importer. In the case of manufacturers maintaining their own retail stores or retail outlets, this means that no tax is imposed until the manufacturer makes a sale at retail, that is, to the consumer. Thus the retail inventory of the manufacturer maintaining retail outlets enjoys a tax-free status, whereas the independent tire dealer, because the sale to him by the manufacturer, producer, or importer occurred prior to his acquisition of the tires and tubes, can have only taxpaid inventory. The Committee on Ways and Means was advised that independent tire dealers may have as much as 15 percent of their inventory investment tied up in these taxes, while their competitors, the manufacturers with their own retail outlets, need make no such investment.

This legislation would remove the competitive discrimination against independent tire dealers resulting from this situation by providing for the imposition of the tire or inner tube tax at the time the tire or inner tube is delivered to a retail store or retail outlet of the manufacturer, producer, or importer.

H.R. 929, by Mr. BYRNES of Wisconsin; Public Law 87–109, signed July 26, 1961: The purpose of this legislation was to conform income tax accounting to more accurately reflect generally accepted accounting principles in the case of prepaid income arising from membership dues. The bill, which became public law as reported by the Committee on Ways and Means, provided that prepaid membership dues income of membership organizations may, at the election of the taxpayer, for tax purposes be spread over the period during which there is a liability on the part of the organizations to provide the service, rather than reported in the earlier year in which the income is received. The liability involved must extend beyond the current year but may not extend for more than 36 months. The provision applies only to membership organizations having no capital stock and making no distributions of net earnings to members, and is effective for taxable years beginning with the calendar year 1961.

H.R. 1877, by Mr. O'NEILL; Public Law 87–59, signed June 27, 1961: As reported to the House by the Committee on Ways and Means, this bill provided that the Plumbers Union Local No. 12 pension fund, Boston, Mass., be considered a qualified and exempt trust from the time of its establishment in 1954 to June 3, 1959, but only if it is shown to the satisfaction of the Secretary of the Treasury or his delegate that the trust was not operated in this period in a manner which would jeopardize the interests of its beneficiaries. The Senate passed the bill with several amendments, which while not changing the provisions of the House bill, added provisions; first, extending for 2 years the period within which certain stock life insurance companies may make deductible distributions to shareholders in pursuance of a plan of mutualization adopted prior to January 1, 1958; second, reducing the tariff in the case of hair of animals, like the cashmere goat; and third, relating to the effective date of the qualification as a qualified trust of the pension fund of the slate, tile, and roofing industry in New York City. The House accepted the amendments of the Senate, and the bill became law in this form.

H.R. 2016, by Mr. GREEN, of Pennsylvania; reported to House September 2, 1961: As reported by the Committee on Ways and Means, this bill provides that, effective July 1, 1962, States and political subdivisions which operate retail liquor stores are to be required to pay only one special occupational tax imposed on retail liquor dealers under section 5123(b) of the Internal Revenue Code of 1954, each year, regardless of the number of locations at which the liquor is sold within the State or political subdivision.

H.R. 2017, by Mr. GREEN of Pennsylvania; reported to House May 9, 1961: This bill would amend the provisions of present law permitting the Federal Government upon request to enter into an agreement to withhold State or territorial tax from compensation paid Federal employees who are employed in the State or territory so as to also provide for withholding of city taxes by the Federal Government, with respect to its employees who are employed in a city with such a tax, if the city has a population of 60,000 or more. The restrictions of existing law applicable to State withholding taxes, designed to limit the administrative burdens of the withholding by the Federal Government and to prevent hardship and discrimination in the case of the Federal employees involved, would also apply to the city withholding taxes, under the bill. Enactment of this legislation is favored by the Treasury Department.

H.R. 2244, by Mr. HERLONG; reported in Senate July 20, 1961: This bill amends the provisions of present law relating to the deduction, for income tax purposes, of charitable contributions. Under existing law, the 20-percent maximum limitation generally applicable in the case of individuals is increased to 30 percent if the contributions to which the additional 10 percent relates go directly to churches, operating schools, or hos-

pitals—or medical research organizations carrying on research in conjunction with a hospital. As unanimously reported to the House by the Committee on Ways and Means, this bill provided that the additional 10-percent deduction would also be available in the case of contributions to a foundation, and so forth, if the foundation, and so forth, is organized and operated exclusively for the purpose of turning over each year to one or more of these specified categories of institutions its entire net earnings and if any portion of its principal it may distribute may go only to one of these categories of organizations, to be effective with respect to taxable years beginning after December 31, 1961. The bill passed the House by voice vote; in reporting the bill to the Senate, the Finance Committee amended the House provision to also make the 10-percent deduction available in the case of contributions to a university endowment association, this provision to be effective with respect to taxable years beginning after December 31, 1960. At adjournment, the bill was pending in the Senate.

H.R. 2585, by Mr. UTT; Public Law 87–321, signed September 26, 1961: This legislation was designed to prevent the imposition of a double tax in the case of the Federal and State unemployment taxes resulting from a technical deficiency in the Federal tax laws arising from a variation in the definition of "employer" between the Federal and State laws. Under the law prior to enactment of this legislation, the predecessor employer, where a trade or business changed hands within the first 20 weeks of the year, was not treated as an "employer" for purposes of the Federal unemployment tax, but generally was so considered for most State unemployment compensation taxes. As a result, the first employer usually had to pay the State tax in such cases, and then the second employer had to pay the full Federal tax but could not obtain the credit usually available for the State tax paid by the first. This bill corrected the faulty operation of the Federal laws in this situation by making the usual credit available in such cases.

The bill was amended by the Senate in two respects, the first dealing with the effective date of the House bill—to make its application prospective only—and the second adding a provision relating to the percentage depletion deduction in the case of clay and quartzite used in making refractory products. The House accepted the Senate amendments to the bill, and the President approved it in this form.

H.R. 5189, by Mr. MILLS; Public Law 87–29, signed May 4, 1961: This legislation, which was enacted at the request of the President as one of various desirable steps intended to improve this country's ability to defend its gold reserves, provided an exemption from tax for income derived by a foreign central bank of issue from U.S. Government obligations, but only if the obligations are not held for, or used in connection with, commercial banking functions or other commercial activities. The exemption is effective with respect to income receivd in taxable years beginning after 1960, and is expected to have a negligible effect of revenues.

The Senate added to the House bill a provision extending to May 15, 1961, the period in which the spouse of a shareholder in a small business corporation may consent to an election not to be taxed as a corporation, in certain circumstances. The House agreed to the Senate amendment, and the bill became law as thus amended.

H.R. 6352, by Mr. BOGGS; reported to House May 16, 1961: This bill, which was reported unanimously by the Committee on Ways and Means to the House, amends the provisions of the income tax laws which provide an unlimited charitable contribution deduction where in the last 10 years the charitable contributions and income taxes paid by an individual equal 90 percent of his taxable income—with certain modifications—in each of 8 years. The bill provides that this 90-percent test will be considered as satisfied for each of 2 consecutive years where the test is met on the basis of the average of contributions, taxes, and income in the 2-year period. However, the charitable contributions and taxes in each of these 2 years must represent at least 75 percent of the income of that year and no more than two sets of consecutive years may be averaged in this manner, under the bill. It is also provided that the 2-year averaging provision is to be available only where the charitable contributions taken into account are those going to churches, operating schools and colleges, hospitals and related medical research organizations, and certain other educational, charitable, or religious organizations. The amendment would be effective with respect to deductions allowable for taxable years beginning after December 31, 1960.

H.R. 6371, by Mr. MILLS; passed House August 23, 1961: This legislation amends the provisions of present law relating to the retirement income tax credit. The retirement income credit was designed to give those who have retirement income, but who do not receive tax-exempt social security or similar types of tax-exempt benefit payments, a tax exemption of approximately the same size as that received by social security beneficiaries. A discrimination has arisen gradually, however, as changes have been made in the social security laws over the past several years without corresponding changes in the retirement income credit provisions of the income tax laws, so that the retirement income credit no longer provides equal tax treatment for those who may be retired under Government or private pension systems or may make provision through investment income for their own retirement.

This bill would again equailze the retirement income credit with the social security program by raising the maximum amount of income which can qualify for the credit to $1,524 a year, amending the earned income limitation to correspond with the amended provisions of the sociay security laws, and lowering, in certain cases, the age limit for qualification for the credit.

The bill as amended was reported unanimously by the Committee on Ways and Means to the House.

H.R. 6413, by Mr. KING of California; passed House May 10, 1961: As unanimously reported to the House by the Committee on Ways and Means, this bill would provide that, for purposes of the estimated income tax, fishermen are to be accorded the same treatment as presently is available for farmers, effective for taxable years beginning after December 31, 1961.

Under present law, taxpayers having income from farming have the privilege of filing the declaration of estimated tax, and paying the estimated tax, by January 15 after the end of the year in question—for calendar-year taxpayers—and this bill would extend this advantage to those having income from fishing.

H.R. 6713—title II—by Mr. FALLON: Public Law 87–61, signed June 29, 1961: The Committee on Ways and Means transmitted to the Committee on Public Works language for inclusion as title II to H.R. 6713, the Federal-Aid Highway Act of 1961, containing highway financing provisions making it possible for the greatly expanded program of Federal aid for interstate highways to be completed within the time originally contemplated, and without the necessity for a stretchout of the program. These revenue provisions will bring into the highway trust fund an additional $9.8 billion in revenues over the life of the program, in addition to transferring back to the general fund $2.4 billion in revenues attributable to passenger car and automobile part taxes. Under the legislation, it will be possible for the construction program to be completed in 1972.

The legislation, as agreed to by the conferees and accepted by both the House and Senate, provided for, first, continuation of the taxes on gasoline, special motor fuels, and diesel fuel at the existing rate of 4 cents a gallon; second, increase in the taxes on tires for highway-type vehicles and innertubes to 10 cents a pound, and on tread rubber to 5 cents a pound; third, increase in the tax on highway vehicles weighing over 26,000 pounds to $3 per 1,000 pounds; fourth, dedication of 5 additional percentage points of the manufacturers' tax on trucks, buses, and trailers to the highway trust fund, received after June 30, 1962; fifth, continuation of the highway trust fund for an additional 3 months, to October 1, 1972, with all taxes now dedicated to the fund continued as highway trust fund revenues at these tax rate levels for the additional 3 months; sixth, repeal of the provision of previous law for diversion of 5 percentage points of the manufacturers' taxes on passenger cars, et cetera, and on automobile parts and accessories to the highway trust fund; and, seventh, provision for payment of the use tax on highway motor vehicles weighing over 26,000 pounds on a quarterly basis and for the exemption of gasoline from tax where it is sold for nonfuel purposes in the manufacture of another article. In connection with the deletion from the bill, in conference, of a Senate amend-

ment relating to compensation of retail dealers of gasoline for tax paid on gasoline lost by shrinkage, evaporation, et cetera, the Treasury Department was requested to conduct a scientific study on this subject and to report the results of the study to the Committee on Ways and Means and the Committee on Finance before January 1, 1962.

H.R. 7057, by Mr. IKARD; Public Law 87–312, signed September 26, 1961: As unanimously reported to the House, this bill provided in the case of brick and tile clay and certain other clays that insofar as the holding in the Cannelton Sewer Pipe case departs from the principles previously enunciated in the Cherokee Brick & Tile Co. and Merry Bros. Brick & Tile Co. cases, it is not to be applied retroactively for years beginning before the Supreme Court granted certiorari in the Cannelton case on December 14, 1959. Thus in the case of brick and tile clay and any other clay or shale where the finished product is the first commercially marketable product, percentage depletion for these past years to the extent they are open will be based upon the value of the finished or end product.

An amendment of the Senate providing that for the purpose of computing the percentage depletion deduction with respect to these minerals "gross income from the property" would be 50 percent of the gross income from the finished product but not to exceed $12.50 for each ton of clay or shale used in the finished product was agreed to by the House, and with this amendment the bill became public law.

H.R. 7446, by Mr. MILLS; Public Law 87–72, signed June 30, 1961: This legislation, which was enacted into law without amendment, continued for 1 year, until July 1, 1962, certain existing tax rates, including the 52-percent corporate income tax rate and the present rates of excise tax on distilled spirits, beer, wine, cigarettes, passenger cars, automobile parts and accessories, and on general—local—telephone service and the transportation of persons. The extension of these tax rates for 1 more year was recommended by the President in his message on taxation, in which he said:

> Our present revenue requirements make such extension absolutely necessary again this year. * * * We cannot afford the loss of these revenues at this time.

H.R. 7859, by Mr. KEOGH; passed House September 19, 1961: This bill amends section 814 of the Internal Revenue Code of 1939—providing an election to take a credit against estate tax for estate taxes paid on certain prior transfers—to make it applicable to estates of decedents dying after December 31, 1949—instead of December 31, 1951—to make the credit against estate tax available where the death of the first spouse to die occurred within the 3 years prior to that of the decedent in question but after December 31, 1947—instead of within 2 years of the decedent—and by providing that, where the deaths of the husband and wife occurred more than 2 years apart, the credit for prior estate taxes is to be 80 percent instead of 100 percent.

H.R. 8652, by Mr. KING of California; vetoed by President October 4, 1961: This bill provided that in the case of a net operating loss sustained in the years 1953 or 1954, principally as a result of the conversion from street railway to bus operations, this loss, to the extent not offset against income in years before 1960, will be available in the year 1960 and 4 subsequent years as a net operating loss carryforward. The bill was designed to alleviate the unusual hardship existing in the case of the Twin Cities Rapid Transit Co., Minneapolis, Minn. While most transit companies have spread their conversion to buses over many years, affording a sufficient period to absorb the loss against income—present law providing a 3-year carryback and 5-year carryforward for business losses—this company completed its conversion in an 18-month period, while under the management of officers subsequently found guilty of conspiracy to defraud the company, who intentionally disregarded the income tax consequences involved. At the end of the 5-year carryforward period provided under existing law, there remained a $5,200,000 unused loss.

The President vetoed the bill, expressing the view that it would be unfair to shift the burden of losses resulting from the fraudulent conduct of the management of the company to the country as a whole, and that approval of the bill would be inconsistent with orderly tax administration.

H.R. 8847, by Mr. BOGGS; reported in Senate September 21, 1961: This bill relates to the income tax treatment to be afforded the recipients of stock distributed in pursuance of a court order enforcing the antitrust laws. In general, the bill provides that such distributions shall not be treated as a dividend distribution but shall be treated as a return of capital, and that the amount of such a distribution made to a corporation shall be the fair market value of the distribution. As reported by the Committee on Ways and Means to the House, the bill would have had general application to such cases involving antitrust distributions; however, at the request of the administration, committee amendments were adopted in the House at the time of passage of the bill which have the effect of limiting its application to distributions in the Du Pont antitrust case, as well as providing that in order for the provisions to apply the order pursuant to which the distribution is made shall require the divestiture of stock to be completed within 3 years or less from the date the order becomes final.

The bill was reported by the Finance Committee without amendment, and at adjournment of the first session was pending in the Senate.

H.R. 8876, by Mr. MILLS; Public Law 87–397, signed October 5, 1961: This bill, which became law without amendment, was designed to improve enforcement and collection of internal revenue taxes. The taxpayer account number system provided for in the bill will make possible a greatly expanded use of automatic data-processing—AUP—equipment by the Internal Revenue Service and will enable the Service to match information returns now filed with tax returns. Taxpayer account numbers are basic to a satisfactory identification system for ADP equipment, through the use of which the Service hopes to develop a single file which would contain, in one place, information relative to all of the tax transactions involving a taxpayer, thus making possible the reaching of objectives in enforcement and collection of the taxes that could only be partially achieved in the absence of this legislation.

The bill provides that persons required to file tax returns may be required to record their account numbers on their tax returns, and persons filing information returns—such as those relating to dividends or interest—are to include the account numbers of persons with respect to whom information is supplied—such persons to supply their numbers to the persons required to file the information returns.

The committee has requested the Internal Revenue Service to work out a system involving the least possible burden to taxpayers in obtaining account numbers, and the Service has indicated that it intends to use social security numbers as the account numbers in order to minimize the number of persons having to be assigned new numbers.

Enactment of this legislation, which was unanimously reported by the Committee on Ways and Means, was recommended by the administration.

H.R. 8952, by Mr. BURKE of Massachusetts; reported to House September 23, 1961: This bill relates to the conditions under which the special constructive sale price rule is to apply for purposes of certain manufacturers' excise taxes. The Excise Tax Technical Changes Act of 1958 provided that in determining the base for the computation of manufacturers' excise taxes, a constructive sales price could be used where sales were made to retailers or to consumers if sales were also made at the wholesale level. However, this provision applies only if the normal method of sales within the industry is not to sell articles at retail, to retailers, or to both. This bill provides that the latter restriction will not apply in the case of manufacturers' excise taxes on refrigerators and related items, on electric, gas, and oil appliances, and on radios and television sets and related items.

As unanimously reported by the Committee on Ways and Means, the provision would apply with respect to articles sold on or after January 1, 1962, with the understanding that this is not, however, intended to imply that this constructive sale price rule was not applicable to sales of articles covered by the bill prior to that date.

SOCIAL SECURITY LEGISLATION (INCLUDING BILLS AMENDING UNEMPLOYMENT COMPENSATION AND PUBLIC ASSISTANCE TITLES)

H.R. 4806, by Mr. MILLS; Public Law 87–6, signed March 24, 1961: This legislation, the Temporary Extended Unemployment Compensation Act of 1961, provided a temporary program of first, extended unemployment compensation to persons who have exhausted their un-

employment compensation under State and Federal unemployment laws, and second, reimbursement to certain States in meeting their cost of long-term unemployment compensation. Enacted as part of the administration's program to help offset the effects of the then current recession on unemployed workers and on the Nation's economy, the bill provided extended benefits for up to 13 weeks of total unemployment to workers who had exhausted their rights under State programs and under Federal unemployment compensation programs for ex-servicemen and Federal employees. Payments can be made to unemployed persons who have exhausted their benefit rights under State programs after June 30, 1960, and before April 1, 1962, for weeks of unemployment starting before July 1, 1962. The bill also provides that, to the extent a State pays unemployment compensation for more than 26 weeks of total unemployment in the benefit year, the State will be reimbursed for the number of weeks it pays in excess of 26, up to a maximum of 13 additional weeks, this number to be subtracted from the potential extended benefit payments under the bill to the individual. The cost of the program is financed by advances from the Treasury to be repaid by a temporary increase in the net Federal unemployment tax of 0.4 percent on the existing wage base of $3,000, for calendar years 1962 and 1963.

Under the conference agreement on the bill, an amendment was adopted relating to reduction in TEUC payments in certain cases of retirement pensions and annuities, as well as a provision increasing the ceiling for certain administrative expenses authorized under section 901(c)(1)(A) of the Social Security Act to $385 million for fiscal year 1961 and $415 million for fiscal year 1962; the conferees also accepted the Senate amendment directing the Secretary of Labor to collect certain information related to administering the TEUC program.

H.R. 4884, by Mr. MILLS; Public Law 87–31, signed May 8, 1961: This legislation added a new section to title IV of the Social Security Act to make available, during the period beginning May 1, 1961, and ending June 30, 1962, Federal grants to States wishing to extend their aid-to-dependent-children programs to include needy children—and relatives caring for them—of unemployed parents, on the same basis as Federal grants are available to needy children—and relatives caring for them—who have been deprived of parental support by the death, absence, or incapacity of a parent. The bill included provisions designed to facilitate the employment of unemployed parents, or the retraining of such parents, if appropriate, and provisions to assure that aid is not provided when the parent has refused employment that it would be reasonable for him to accept. All existing provisions of the aid-to-dependent-children program apply to the temporary expanded program, including, of course, the Federal-State matching formula. The legislation was recommended by the President as a part of his broad program to combat the then existing recession and to relieve resulting hardships.

Under the conference agreement on the bill, certain amendments of the Senate were accepted and/or modified and incorporated in the bill. These included provisions relating to the denial of aid under the program where the unemployed parent is receiving unemployment compensation; extending Federal matching funds under the plan to children placed in foster homes in certain circumstances; extending for 1 year, to June 30, 1963, the authorization for appropriation of sums for training grants for public welfare and increasing the Federal share to 100 percent; relating to the denial of aid, under a State plan, because of the conditions in the home in which the child resides and providing a period for further study of this problem; raising the overall ceiling on grants which may be made to Puerto Rico, the Virgin Islands, and Guam, to take into account the increased grants which would be made under the bill; and relating to the reimbursement of States for salaries and other expenses of the States' employees temporarily assigned to duty with the Department of Labor. Also included was a provision increasing from $12 to $15 the maximum medical care expenditures in behalf of old-age assistance recipients with respect to which there will be Federal participation.

H.R. 6027, by Mr. MILLS; Public Law 87–64, signed June 30, 1961: This legislation, the social security amendments of 1961, provided desirable and sound long-run improvements in our social insurance system, designed to make the old-age, survivors, and disability insurance program more flexible and effective in carrying out its basic purpose. With its enactment, additional purchasing power will be placed in the hands of people who very much need it, benefiting about 4,420,000 people within the first 12 months through new or increased benefits amounting to $780 million. The changes made, which were in general along the lines recommended by the President, are fully financed, consistent with policies established by the Congress in the past, and the program will thus continue to be self-supporting and on a sound actuarial basis.

The major provision of the legislation can be summarized as follows:

First. An increase from $33 to $40 in the minimum monthly retirement benefit payable to persons retiring at or after age 65 and in the minimum monthly disability benefit, with proportionate increases in the minimum benefits payable to dependents and survivors.

Second. Provision for payment of retirement benefits to men beginning at age 62—at their option—with the benefits payable to men claiming benefits before age 65 reduced to take account of the longer period over which the benefits will be paid.

Third. Liberalization of the insured status requirements, so that a worker will be fully insured if he has one quarter of coverage for every year elapsing after 1950—or after the year in which he attained age 21, if later—and up to the year of disability, death, or attainment of age 65 for men—62 for women. Previous law required one quarter of coverage for every three such elapsed quarters.

Fourth. An increase in aged widow's, widowers', and parents' benefits from 75 to 82½ percent of the workers' retirement benefit—a 10-percent increase in benefits for these beneficiaries.

Fifth. Liberalization of the earned income limitation to increase from $300 to $500 the area in which only one-half of earnings above $1,200 are treated as excess earnings.

Sixth. An increase in the contribution rates of one-eighth of 1 percent each for employees and employers, with corresponding increases for self-employed persons, thus keeping the system fully self-supporting and actuarially sound.

Provisions were also included in this legislation for an increase in the Federal matching maximum for old-age assistance, aid to the blind, and aid to the permanently and totally disabled; for the expenditure of Federal funds for temporary assistance to certain U.S. nationals who have returned from foreign countries and are without immediately available resources; extending through December 31, 1962—or, if later, the expiration of 2 years after the date on which coverage was approved for the group which originally elected coverage—the time in which employees who did not elect coverage under a divided retirement system agreement may change their decisions; adding New Mexico to the list of States which are permitted to divide their retirement systems; permitting survivors of ministers or Christian Science practitioners to file a certificate of election for coverage of the minister or Christian Science practitioner, in certain circumstances; and moving up by 1 year, to 1968, the scheduled increases in rates of tax for employers, employees, and self-employed persons.

H.R. 6145, by Mr. RIVERS of Alaska; reported to House August 15, 1961: As reported by the Committee on Ways and Means, this bill would provide a 1-year postponement of the reduced credit provisions relating to the Federal unemployment tax insofar as they relate to certain past advances to a State under title XII of the Social Security Act. This will have the effect of preventing the reduced credit provisions from applying to wages paid by employers in Alaska for calendar year 1961. The committee is aware that existing requirements for repayment of costs of outstanding title XII advances pose serious problems for a number of States—the reduction of credits provided by section 104 of the Temporary Unemployment Compensation Act of 1958 is not affected by this bill. The bill does not present a permanent solution to the problem, but the committee felt that, because the cost of unemployment compensation in Alaska is extremely high and it is the only State in which the reduced credit provisions would come into effect this year, it is desirable to postpone the operation of these provisions pending a more detailed examina-

tion of the problem. The administration is presently developing proposals in this area for submission to the Congress. The committee was unanimous in reporting the bill, as amended, to the House.

CUSTOMS AND TARIFF LEGISLATION

H.R. 641, by Mr. BOGGS; passed House August 23, 1961: The purpose of this bill, as reported by the Committee on Ways and Means, is to provide for the free entry of one intermediate lens betaray spectrometer for the use of Tulane University, New Orleans, La., which that university has acquired from abroad to be used in the field of experimental nuclear physics. The committee was advised that this particular type of spectrometer is not available in the United States but can only be purchased abroad from a firm which specializes in the design of such instruments. Under these circumstances, the committee felt that Tulane University should not have to pay import duties on such a highly specialized instrument, which is not available in the United States and is utilized in important scientific projects.

H.R. 3385, by Mr. IKARD of Texas; Public Law 87–95, signed July 20, 1961: This legislation, which became law as reported by the Committee on Ways and Means, provided for the free entry of apparatus utilizing any radicactive substance in medical diagnosis or therapeutic treatment—such as colbalt 60 therapy units used in cancer diagnosis and treatment—and of electron microscopes, when imported for the use of, and not for sale by, nonprofit organizations and institutions, whether public or private, established for educational, scientific, or therapeutic purposes.

The committee was of the opinion that the general public interest would be served by permitting such organizations to import these needed tools of scientific research and educational pursuits without the burden of having to pay the substantial import duties which would apply in the absence of enactment of this legislation.

H.R. 3508, by Mr. BOGGS; reported to House September 20, 1961: As unanimously reported by the Committee on Ways and Means, the purpose of this bill is to permit the Secretary of the Treasury to designate any freight forwarder, authorized to act as such by any agency of Government, as a carrier of bonded merchandise not finally released from customs custody. At the time the provision of the Tariff Act authorizing the Secretary of the Treasury to designate carriers of such bonded merchandise was broadened to include freight forwarders, only freight forwarders under the jurisdiction of the Interstate Commerce Commission were authorized to be so designated, the only reason for this limitation apparently being that other freight forwarders—such as airfreight forwarders—were not then as prominent in this field as they now are. The committee was of the opinion that the Secretary of the Treasury should be authorized to extend the privilege of handling bonded merchandise to any freight forwarder licensed to act as such by any agency of the Government.

H.R. 3668, by Mr. MACK; passed House June 14, 1961: This bill, which passed the House without amendment, amends section 498 of the Tariff Act of 1930 to permit the extension of the informal customs entry procedure to import shipments not exceeding $400 in value. Present law permits informal customs entry to be made when the aggregate value of the shipment of imported merchandise does not exceed $250, thus obviating within this area the necessity for the more complex and burdensome customs procedures required for formal customs entry. The bill, which raises this ceiling to $400, retains the existing provisons of law giving the Secretary of the Treasury the discretion to establish lower ceilings for certain types of merchandise and transactions when circumstances warrant his doing so.

H.R. 4449, by Mr. MACHROWICZ; passed House June 14, 1961: The purpose of this bill is threefold: First, to add iconostases to the list of articles for which free entry is presently provided in paragraph 1774 of the Tariff Act of 1930, as amended providing for the free entry of certain articles for religious purposes; second, to provide for the free entry of adjuncts and appurtenances of the named articles whether to be physically joined thereto or not; and third, to extend the application of paragraph 1774 to cemeteries, schools, hospitals, orphanages, and similar nonprofit activities staffed and controlled by corporations and associations organized and operated for religious purposes.

The committee was advised by the interested Government departments that enactment of this bill would assist in solving certain difficult interpretative questions which have arisen under the present provisions of paragraph 1774, and unanimously reported the bill to the House.

H.R. 4591, by Mr. MACHROWICZ; Public Law 87–110, signed July 26, 1961: The purpose of this bill, as reported by the Committee on Ways and Means, was to continue for 1 year, to the close of June 30, 1962, the suspension of duties on metal scrap. The limitations and provisos of existing law were continued under the bill. Favorable departmental reports were received on this legislation, and no opposition to its enactment was made known.

In addition to a technical amendment to the House bill, the Senate added a section providing for the free entry of horsemeat, fresh, chilled, or frozen, when imported in immediate containers weighing, with their contents, 10 pounds or more. The Senate amendments were accepted by the House, and the bill became public law as thus amended.

H.R. 4940, by Mr. WATTS; Public Law 87–47, signed June 16, 1961: This legislation, which became law as reported by the Committee on Ways and Means, was designed to prevent the circumvention of the control by the Philippine Government over the exports of Philippine tobaccos to the United States by providing that U.S. customs authorities shall only admit free of duty under the Philippine tobacco quota such tobacco as the Philippine Government has licensed for export to the United States free of duty under the provisions of paragraph 2 of article II of the Philippine-United States Trade Agreement.

H.R. 5193, by Mr. BAKER; reported to House September 26, 1961: The purpose of this legislation, as reported by the Committee on Ways and Means, is to impose sliding scale duties on imports of lead and zinc and lead and zinc articles. The duties would be imposed or removed, depending upon the domestic price levels of lead and zinc. The committee concluded that adoption of this formula is desirable, in view of the general dissatisfaction with existing quota arrangements.

H.R. 5852, by Mr. MEADER; Public Law 87–261, signed September 21, 1961: As reported by the Committee on Ways and Means, this bill provided for the free entry of a towing carriage for the use of the University of Michigan, which has a large ship model towing tank used for experimental testing and research on model vessels under simulated sea conditions, frequently under contract for the Maritime Administration and the Bureau of Ships of the Navy Department. The committee was advised that no company in the United States specializes in the design and construction of ship model laboratory equipment, and was of the opinion that it would be in the national interest that the University of Michigan not be burdened with substantial import duties in its efforts to modernize and up-date its ship research testing facility.

In reporting this legislation to the Senate, the Finance Committee added a provision to the House bill which amended the Tariff Act to allow nonresident visitors to bring up to $100 in gifts into the United States duty free. The House accepted the amendment of the Senate, and in this form the bill became law.

H.R. 6611, by Mr. MILLS; Public Law 87–132, signed August 10, 1961: As reported by the Committee on Ways and Means, this bill, which was proposed by the President as a part of his program to counter the unfavorable balance-of-payments situation, provided a temporary—to the close of June 30, 1963—reduction, from $500 to $100, in the amount of articles acquired abroad that a returning resident of the United States may bring into the United States exempt from duty, and waived, in the case of articles acquired in the Virgin Islands, the 48-hour period for which otherwise such resident generally must remain outside the United States in order to be entitled to the exemption.

The Senate amended the House bill to provide that in the case of articles acquired in the Virgin Islands by a U.S. resident arriving directly or indirectly from the Virgin Islands, the exemption would be $200 instead of $100, without regard to the 48-hour requirement. The Senate amendment also would allow such a resident who has remained outside the United States for 48 hours or more an exemption of $200, not more than $100 of which shall have been acquired elsewhere than in the Virgin Islands. Under the conference agree-

ment, the House accepted the Senate amendments, and the bill became law in this form.

H.R. 6682, by Mr. WIDNALL; reported to House September 22, 1961: As reported to the House, this bill provided for the transfer from the dutiable to the free list of the Tariff Act articles known as fowling nets. These nets are used to temporarily capture birds, and facilitate quick banding and release of the birds. These activities are carried out by persons and organizations, primarily under the coordination and sponsorship of the Department of the Interior, who are volunteer workers receiving no pay, although supplying their own nets or other equipment. The information and records developed from these activities are used in research by the U.S. Government. The committee was advised there is no knowledge of domestic production of fowling nets, and received favorable departmental reports on the bill.

H.R. 7431, by Mr. DADDARIO; reported to House September 22, 1961: As reported by the Committee on Ways and Means, the purpose of this bill is to provide for the free entry of certain stained glass windows imported for use in St. Joseph's Cathedral, Hartford, Conn., and in St. Francis Xavier Church and auxiliary buildings in Phoenix, Ariz.

The committee is of the opinion that this legislation is meritorious and consistent with prior congressional enactments.

H.R. 7678, by Mr. TEAGUE of California; passed House June 29, 1961: The purpose of this bill is to amend the Tariff Act of 1930 to extend the existing free importation provisions for wild animals and wild birds intended for exhibition in zoological collections for educational or scientific purposes to wild animals and wild birds imported by any importer for exhibition for any purpose, or imported by a person or firm who in turn would sell them for ultimate use in exhibitions for any purpose. The amendments suggested by the Departments of State, Commerce, and Treasury to an earlier bill on this subject have been incorporated in H.R. 7678, and the bill was reported unanimously by the Committee on Ways and Means.

H.R. 7692, by Mr. HERLONG; passed House September 7, 1961: The purpose of this bill, as reported by the Committed on Ways and Means, is to amend the Tariff Act of 1930 to provide, first, that when articles, imported in containers required to be marked to show the English name of the country of origin, are repackaged in the United States and offered for sale, the new packages shall be marked to show the country of orgin of their contents, and, second, that such containers shall be marked, in addition to the country-of-origin marking, to indicate to any person who repackages such articles that the new packages must be marked to indicate to an ultimate purchaser the English name of the country of origin of their contents.

The committee is of the opinion that enactment of this legislation will provide a comprehensive plan for insuring, in appropriate cases, that purchasers are notified of the origin of imported merchandise, thus greatly assisting in fulfilling the purposes of our marking laws. Penalty provisions for violation are included in the bill, and the Secretary of the Treasury would be authorized to make exceptions from the marking requirements in certain circumstances.

H.R. 8938, by Mr. BASS of Tennessee; reported to House September 22, 1961: The purpose of this bill is to limit the tariff provisions for lightweight bicycles to typical lightweight bicycles and prevent classification thereunder of nontypical lightweight bicycles. The Committee on Ways and Means was unanimous in reporting this bill to the House.

MISCELLANEOUS (INCLUDING BILLS RELATING TO THE PUBLIC DEBT AND BILLS FALLING WITHIN MORE THAN ONE SUBJECT CATEGORY)

H.R. 311, by Mr. BENNETT of Florida; Public Law 87–58, signed June 27, 1961: The purpose of this bill, which became public law without substantive amendment, was to authorize the U.S. Government to accept gifts of money or other property which are to be used for the reduction of the public debt. It provides for the deposit of cash gifts, or proceeds from the sale of other gifts, in a special account on the books of the Treasury, and money in this account is to be utilized to retire obligations of the United States which are a part of the public debt.

Heretofore the Treasury Department, in the absence of specific directions to the contrary, has been treating gifts received by the United States for the purpose of reducing the public debt as unconditional gifts and depositing them in the general fund of the Treasury. The committee felt that those making gifts to reduce the public debt may prefer to have their contributions used for this specific purpose, and further that making this possible may encourage persons to make provision for gifts of this type.

H.R. 4317, by Mr. MILLS; Public Law 87–370, signed October 4, 1961: As reported to the House by the Committee on Ways and Means, the purpose of this legislation was to provide a system of annuities for surviving widows and dependent children of judges of the Tax Court of the United States. Prior to enactment of this bill the Tax Court was the only Federal court without an adequate system of survivorship protection, since the Congress in 1956 provided a survivor annuity system for other members of the judiciary generally.

The Senate amended the bill in several respects, and under the conference agreement—and as the bill became law—the House bill was amended to conform the benefit computation in the case of widows and dependent children of Tax Court judges to the formula provided in the 1956 act relating to widows and dependent children of Federal judges. In addition, a provision was added relating to the taxability of amounts contributed by an employer which is a public school system for annuity contracts for its employees.

H.R. 7500 (title II), by Mr. MORGAN; Public Law 87–293, signed September 22, 1961: The Committee on Ways and Means transmitted to the Committee on Foreign Affairs language amending the Internal Revenue Code of 1954 and the Social Security Act in relation to Peace Corps volunteers and volunteer leaders. The general effect of these provisions is to treat Peace Corps volunteers and volunteer leaders in a manner similar to enlisted men in the Armed Forces for income tax and social security purposes.

These amendments were included as title II of the bill reported by the Committee on Foreign Affairs establishing the Peace Corps, and were accepted by the Senate in conference on the legislation, subsequently becoming law as a part of the Peace Corps Act.

H.R. 7677, by Mr. MILLS; Public Law 87–69, signed June 30, 1961: This bill, which became law without amendment, provided for a temporary—1-year—to June 30, 1962, addition of $13 billion in the public debt limitation. The present permanent statutory debt limit is $285 billion; this legislation provided an additional $5 billion temporary increase over the temporary ceiling in effect at the time of its enactment—to $298 billion. Enactment of this legislation was recommended by the administration, the Secretary of the Treasury having advised the committee that this action was essential to the orderly and economical management of the Government's finances.

S. 1750, by Senator MAGNUSON; Public Law 87–342, signed October 3, 1961: This legislation, which was enacted at the request of the administration as an integral part of its anticrime legislative program, amended the provisions of the Federal Firearms Act by prohibiting the shipment, receipt or transportation of firearms in interstate or foreign commerce to or by any person who has been convicted of, or is under indictment for, a crime punishable by imprisonment for a term exceeding 1 year. Prior to enactment of the bill, these prohibitions in the act had applied to any person who was under indictment for, or had been convicted of, a "crime of violence," as defined in the act. The Attorney General advised that enactment of this legislation would aid Federal law enforcement officers in their assault on organized crime. The bill was unanimously reported by the Committee on Ways and Means, identical bills having been introduced by the chairman and ranking majority member of the committee.

SUMMARY OF MAJOR PROVISIONS OF "DISCUSSION" DRAFT OF REVENUE BILL OF 1961

The discussion draft consists of 10 sections. The first indicates that the bill may be cited as the Revenue Act of 1961. The remaining nine sections would make substantive amendments to the Internal Revenue Code of 1954. They, together with the Treasury proposal on "tax havens," can be summarized as follows:

First. Investment credit—section 2: A credit against income tax is allowed for new investments (and for purchases of up to $50,000 of used property) made in 1961 and subsequent years. The credit generally is equal to 8 percent of the purchase price of domestic investments. It is not available for property with a useful life of less than 6 years and in general is limited to tangible personal property or other tangible property,

apart from buildings, used in manufacturing, production, extraction, transportation, or communications. It also generally is not available in the case of public utilities.

Second. Entertainment, et cetera, expenses—section 3: Restrictions are imposed on the deduction of entertainment expenses for income tax purposes. First, with specified exceptions, these expenses may not be deducted unless they relate directly to the production of income and are not merely for good will. Exceptions are provided for business meals, employee and stockholder meetings, trade association meetings, conventions, and so forth. Second, no deduction may be taken for business gifts to the extent they exceed $25 per recipient or for the payment of club dues. Third, entertainment and traveling expenses, to be deductible, must be substantiated in detail. Fourth, in the case of travel expenses, only a "reasonable allowance" may be deducted for meals and lodging.

Third. Mutual fire and casualty insurance companies, and so forth—section 4: Over a period of years mutual fire and casualty insurance companies are to be taxed on their underwriting income (their investment income presently is taxed) in substantially the same manner as stock casualty companies. After a 5-year transition period one-half of the underwriting income will be taxed in the year it is earned and the other half—to the extent it is not offset by intervening losses—will be taxed 5 years later. A transition rule gives partial exemption in the first 5 years. Small mutual companies will continue to be taxed only on investment income. Special provisions are applicable for reciprocal underwriters and interinsurers, factory mutual insurance companies, and companies with certain types of concentrated risks. In addition, the deduction now allowed life insurance companies for 2 percent of premium income from group accident and health business is repealed.

Fourth. Domestic corporations receiving dividends from foreign corporations—section 5: Domestic corporations receiving dividends from foreign corporations, if they elect to claim a foreign tax credit for foreign income, and so forth, taxes paid on the dividends they receive, must also include in their income these same foreign taxes for which they claim credit. This has been referred to as "grossing up" these dividends by the amount of foreign taxes paid with respect to them. Other technical amendments are also made.

Fifth. Exclusion for income earned from sources outside the United States—section 6: Earned income derived from sources outside of the United States presently is not subject to U.S. income tax if the individual involved is a bona fide resident of the foreign country. The draft limits this exclusion to some specified amount—undetermined in the committee's tentative decisions. In addition, contributions by employers to pensions, where the individuals worked abroad, are to be fully taxable to the individuals if they reside in the United States at the time they receive the pension in the same manner as employees who worked in the United States.

Sixth. Gain from disposition of depreciable personal property—section 7: Any gain on the sale of most types of depreciable personal property, is to be treated as ordinary income to the extent of any depreciation deductions previously taken. For this purpose only depreciation deductions taken in 1961 and subsequent years will give rise to this ordinary income treatment. This ordinary income treatment is to be applicable only in the case of sales and certain other dispositions of depreciable personal property. Taxpayers will be permitted to change to more conservative forms of depreciation if they desire to do so in order to minimize the possibility of realizing ordinary income under this provision. Also, taxpayers under this provision will be permitted to ignore salvage value in determining their depreciation base to the extent of 10 percent of the cost or other basis for the property.

Seventh. Tax treatment of cooperatives and patrons Section 8: Cooperatives are to be permitted to deduct patronage dividends only when they are paid in money, "qualified scrip," or other property except nonqualified scrip. In addition, a deduction is provided for nonqualified scrip when it is redeemed. The same amounts are to be includible in the income of the patron at about the same time the cooperative takes the deduction—except where the patronage is attributable to personal expense items. "Qualified scrip" means scrip with respect to which the patron had an option to receive cash or scrip for a 90-day period after issuance, or, in the case of farm cooperatives, scrip issued only after the farmer within the year to which it relates consents in writing to received the dividend in scrip rather than cash. In the case of "exempt farm cooperatives," provision is also made for the deduction of amounts paid in money, qualified scrip, or other property (except nonqualified scrip) which is paid out of earnings derived from business done for the United States or from sources other than patronage, such as investment income.

Eighth. Withholding on interest, dividends, and patronage dividends—section 9: Provision is made for withholding at a rate of 16⅔ percent on interest, dividends, and patronage dividends. The recipient on reporting his income for tax purposes "grosses up" his net dividend or interest payment by one-fifth to obtain the gross payment which he reports for tax purposes. The withheld amount is then available as a credit against the tax otherwise due. No receipts are required under this system. A system of exemption certificates is provided for those having no tax liability and intra-annual, or quick, refunds are provided for those where the withholding is excessive because of the number of their exemption, eligibility for retirement income credit, et cetera.

Ninth. Information with respect to certain foreign entities—section 10: Under present law domestic corporations must furnish certain specified information with respect to foreign corporations which they control or foreign subsidiaries of these corporations. If the information is not supplied, reductions are made in any foreign tax credit the domestic corporation might otherwise enjoy. This reporting requirement is extended to include not only domestic corporations but also individuals controlling foreign corporations and also to require information to be supplied with respect to certain additional types of foreign subsidiaries. Another requirement of present law requires certain specified information to be supplied by American citizens or residents who are officers, directors, or important stockholders of foreign corporations if they held such positions or have such stock interests at any time within 60 days after the creation, organization, or reorganization of the foreign corporation. Beginning in 1962 such information is to be supplied by such American officers, directors, or important stockholders on January 1 of that year and also by those who become so at any time thereafter.

Tenth. Treasury proposal on "tax havens:" The Treasury draft—available to the public but not in the committee print—identifies certain types of income—such as income from exports, imports, licensing, certain dividends and interest, and reinsurance. Where such income arises from transactions of a foreign corporation with a related party outside of the country in which the foreign corporation is organized, it is to be taxed currently to U.S. shareholders of the foreign corporation even though there is no dividend distribution. This treatment applies only where five or fewer U.S. stockholders own more than 50 percent of the stock of the foreign corporation and then only in the case of those shareholders owning 10 percent or more of the stock of the foreign corporation.

A Survival Kit for Business

EXTENSION OF REMARKS
OF
HON. JOHN MARSHALL BUTLER
OF MARYLAND
IN THE SENATE OF THE UNITED STATES
Wednesday, September 27, 1961

Mr. BUTLER. Mr. President, the sins of a few too often condemn large groups who are completely innocent of any unethical or unwise business practices. It is always news when anyone is involved in wrongdoing but those who act as good citizens and perform their proper tasks day after day are never considered newsworthy. Hence, there is a tendency that is quite understandable on the part of the public to stigmatize large groups because a very few individuals or firms have been involved in questionable practices.

Recently, there has been an outcry against advertising per se. Yet, no other factor has played as important a role in developing the economies of mass distribution which in turn make mass production possible. Unless we have a strong consumer demand for the goods and services produced by our fellow cit-

izens, it will be impossible to take advantage of new techniques which reduce costs and enhance America's standard of living.

Advertising budgets, while they may seem large in global figures, represent one of the most economical means of informing the American public of the merits of a particular product or firm.

Probably no individual is better acquainted with the problems of ethical and informative advertising than the former chairman of the Federal Trade Commission, Mr. Earl W. Kintner. He made a most significant address entitled "A Survival Kit for Business" before the First Annual Conference, Sixth District, Advertising Federation of America, at Indianapolis, Ind., on April 21. It is worthy of the attention of my colleagues.

Mr. President, I ask unanimous consent that it may be printed at this point in the RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

A SURVIVAL KIT FOR BUSINESS

(Statement by Earl W. Kintner of Arent, Fox, Kintner, Plotkin & Kahn, Washington, D.C., before the First Annual Conference, Sixth District, Advertising Federation of America, Indianapolis, Ind., April 21, 1961)

I

A cynic can be delightful company during an interim of relaxation. Mordant wit often can illuminate the follies of mankind with penetrating accuracy. However, when the time for observation is over and the time for action comes, I find the company of cynics to be less than pleasant. In the realm of action cynicism often becomes an excuse for inaction, a mask for defeatism, a cloak for paralysis of the will.

Now that the scandals unearthed within the communications industry have been exposed to public view for some time the cynics have been in full cry. No lasting improvements or reforms will be made in the world of advertising, they say. Some of these cynics are the very men who must act if advertising is to operate in an improved moral climate. Other cynics include leading economists who have seized upon advertising's troubles of the past 2 years to renew their attacks upon the value of advertising to the American economy. Their eyes turn toward a planned economy in which advertising would be a poor relation, if not the enemy. Of greatest moment is the fact that the ranks of the cynics have been augmented by a host of aware and intelligent citizens.

I disagree with all these cynics, in and out of the industry.

Advertising is as susceptible to principled performance as any other form of economic activity. The rewards for ethical conduct are great and the dangers of unethical conduct are very apparent. The first such danger is the smoldering anger of the American public over shoddy advertising. Although this public indignation is not headline news every day, from my vantage point of the past 2 years I can assure you that it continues to be strong and deep. A surprising number of people have commented to me about the negative attitude that deceptive or tasteless advertising generates in them. Confronted with an advertisement designed to evoke a favorable attitude toward a product, these people often form a quiet resolve not to buy the product because of the offensive nature of the sales message.

Advertising is not a shell game. Good advertising informs; it does not deceive. These simple observations are truisms. Like many truisms, the great danger is that the truth may be so self-evident that is is ignored. It is almost presumptuous of me to remind this group of creative advertisers of these simple maxims. However, in any area there is a periodic need to reexamine first principles. As I have just indicated, in advertising this reexamination must take place in the context of a new evaluation of the American audience. That audience grows better educated and more sophisticated day by day. The proverbial advertiser who addresses all of his messages to 12-year-olds continues to do so at his peril. A brief backward glance is sufficient to highlight the sharply rising level of taste and sophistication of the American audience.

James Webb Young, a great advertising pioneer, discussed a 1913 advertisement of Postum in a recent article in the Saturday Review. The ad points out the advantages of Postum over Brazilian coffee, attributing the following ills to coffee:

"Sallow complexions; stomach trouble; bad liver; heart palpitations; shattered nerves; caffeine, a drug; weakness from drugging."

Mr. Young then quotes a judgment on the changes that 40 years of education bring: "We doubt if the present owners of Postum would OK copy like this today. Even if they did not own Maxwell House." Mr. Young's example is not an isolated one. Any of you that have read the AMA three volume series "Nostrums and Quackery," or "Skindeep," or Turner's "The Shocking History of Advertising," or Holbrook's "The Golden Age of Quackery," know that the incredible claims of yesterday would not convince today. Every increase in culture, every advance in education, every exposure to wider experience places an additional seal of doom on shoddy, tasteless and irresponsible advertising. Despite the appearance in recent years of some very sophisticated institutional advertising, I sometimes feel that advertisers are the last to weigh the American audience at its true value. Certain it is that today's consumer is aware, and that he resents being patronized as an unsuspecting boob.

Some of you may say, "Oh well, this storm will blow over like so many others have in the past." This attitude is a mistaken one. The present threat to public confidence in advertising, while considerably abated by the massive self-regulatory efforts made by advertising at all levels during the past 2 years, is still deep and broad. It would be as dangerous to ignore the indignation of the American audience as it would be to insult its intelligence.

If any of you believe that the storm has now blown over and that advertising no longer suffers ill repute among our citizenry you will find the current survey of attitudes toward advertising appearing in Advertising Age to be stimulating—and shocking—reading.

II

This cynical attitude among the public can be abated.

Somehow the advertising industry must do as effective a job in explaining the essentiality of advertising in a consumer-oriented economy, its role in the creation of jobs, its role in the establishment of new markets and new products, its role in raising the standard of living, as the industry, through its advertising council has done in promoting Smoky the Bear and explaining the necessity of public purchase of savings bonds. This task calls for serious effort. To concentrate on some shortsighted effort to create facile prestige for advertising would be a serious mistake. Prestige does not exist independent of stature. Prestige is only a reflection of the social utility of an individual or institution. Advertising has real social utility, real economic utility, but it is obvious that its utility has not been fully rationalized and communicated in meaningful terms.

One difficulty may be that in attempting to communicate the utility of advertising to the public admen often unconsciously address themselves to other admen. Many addresses, articles and books present telling points that are meaningful to the general public, but these worthy points often are obscured by the inclusion of some of the comfortable shibboleths and familiar jargon of the industry. A fundamental proposition of advocacy is to make the argument meaningful to the people you are seeking to convince. Demonstrating one's orthodoxy as a member of the "in grooups" should be reserved for "in group" meetings.

III

A cynical public attitude toward advertising is dangerous. Cynicism within the advertising industry also constitutes a great danger. A cynic, doubting the honesty of his competitors, is easily tempted to sail as close to the wind as he can. And if one cynic yields to this temptation than many others, including some otherwise well-intentioned and upright men and women will also yield, because it is very difficult to refrain from fighting fire wtih fire in a hot competitive battle. Well, fighting fire with fire may wipe out the temporary gains of an unscrupulous competitor, but bear in mind that the competitive struggle then shifts to a lower plane. And people are watching. Those who already had a low opinion of advertising are presented with new evidence to confirm their opinions. And many new recruits enlist in the ranks of the cynics.

And what of the upright advertiser who adheres to his principles and refuses to fight fire with fire? Hopefully, public awareness of deception will be his ally. Hopefully, governmental sanctions will be applied to his amoral competitors before his plight becomes serious. But if the upright advertiser emerges from the crisis bearing scars he may turn bitter when the next crisis arises. If this bitterness is allowed to compound then the level of the industry inevitably will sink. And if the level should sink an aroused public will demand that tighter and tighter controls be imposed upon advertising.

IV

My interpretation of American economic history is that many devices for governmental regulation of business have been developed only after a protracted demonstration that free entrepreneurs had failed to discharge their responsibilities for the furtherance of the national interest in a given area of concern. The history of our antitrust and trade regulation laws illustrates this point.

The cardinal element in the structure of the American economic system is that economic problems will be resolved by the interplay of free competitive forces and that competition in the market will be conducted fairly. Monopoly and unfair competition war against that principle. A market ceases to be free when predators are able to deny entry to the market to struggling new enterprises, to damage competitors by foul means or to unilaterally set the conditions of trade. In the late 19th century, it became painfully obvious that private efforts could not impede the transfer of market power from diverse and disparate competitive entities to the trusts. Therefore, the national interest in free enterprise demanded the creation of the antitrust laws and the vigorous enforcement of those laws by the Government. Early in the 20th century, it became glaringly obvious that the freedom of a few to engage in shoddy trickery denied the benefits of a free market to honest competitors and trusting consumers. Again, the national interest required the interven-

tion of Government, and the Federal Trade Commission was empowered not only to prevent monopoly but also to insure fair competition.

Examples could be multiplied, but this one example teaches us that strictures on the exercise of power by business—limitations on the freedom of businessmen—often have been the result of failures by business to discharge its responsibilities for the protection of the public interest without governmental intervention. The lesson is that business cannot operate unrestrained in a free society. Business must either act in self-restraint to further the public interest or have restraints imposed upon it.

The failure of business to discharge its responsibilities is not the sole reason for the rise of Big Government in the 20th century. Doubtless there have been, and now are, many who see absolute values in a statist system. These disguised totalitarians will not wait for a demonstration of irresponsibility by business to press for further governmental controls. At least a part of the rise of Big Government is attributable to them. However, as I attempt to foresee the future of our free economy I do not greatly fear the apostles of statism. The American people are not easily gulled by assertions that Washington is the fount of all wisdom and therefore should be the source of all power. I think that the American people have an abiding faith in the benefits of a free enterprise system. I think the American people will place further limitations on that system only if that faith is badly abused. And the responsibility for justifying that faith rests upon every American businessman.

V

The plain duty of every businessman to protect the free enterprise system by avoiding shady dealing is reinforced by compelling considerations of self-interest.

I maintain that the keystone of our great system of distribution is reputation. Think for a moment of your daily purchases. I am willing to bet that in the vast majority of your daily purchases the thing that you are really purchasing is a reputation. It may be the reputation of a manufacturer or the reputation of a retailer. It may be the reputation of a person whose advice is valued. But in each case, reputation bulks large in the transaction. Indeed, the brand name concept is based upon reputation. Why would an advertiser spend millions to spread its name and the virtues of its product if not to acquire a reputation that will furnish the basis of a multitude of fruitful continuing business relationships? It would seem beyond dispute that any businessman who seeks to make more than one sale to the same person must value his good name beyond all else.

It is true that in the not so long ago the American hinterlands were full of drummers who descended like lightning upon a community, sold an entire stock of goods and then disappeared over the horizon never to return again, thereby escaping the wrath of infuriated consumers. It is also true that some of this sort of bilking still exists. But in this day of rapid communication, isolation and ignorance are no longer the potent allies of predators. Means now exist to detect the business crook, and laws now exist to punish him. However, the rapid communication that now helps to foil the trickster presents dangers to the honest businessman as well. Now a momentary lapse from the strictest standards of honesty can imperial a reputation that was many years in the building. Since reputation is so valuable, since so much of our trade depends upon reputation, it behooves every businessman to guard his reputation zealously. Americans defend the profit system on the ground that profit is the legitimate reward for the assumption of risks. Certain it is that the entrepreneur must boldly embrace those risks which promise adequate potential reward, but it is also a part of the duty of the diligent and prudent entrepreneur to shun avoidable risks. The risk of the inconvenience and expense of a legal proceeding, the risk of legal penalties and the risk of loss of goodwill and reputation that are the result of a violation of the laws guarding consumers and honest competitors are avoidable risks. The careful businessman can safeguard his enterprise by careful adherence to the requirements of law.

And we must not forget that every businessman has a duty to the free enterprise system itself in addition to the duty that he owes to his stockholders. A demonstration that individual entrepreneurs can safeguard the public interest in the absence of the massive controls of a police state vindicates the cause of freedom.

Those businessmen who operate the distributive phase of our economy—those who advertise and sell in the consumer market—must bear a special responsibility of compliance with the law. This is so because the American public has more contact with this phase of our economy than with any other. The average citizen forms his impressions and expectations of our system as he hears and reads the advertisements urging him to buy and as he purchases and uses the abundant goods produced by our complex economy. Judge for yourself how many people wade through dry tomes on economics in any given year and compare this with your estimate of the number of advertisements the average person is exposed to during the same period and then conclude for yourself what is the major source of most impressions of our system. The awesome power of advertising suggests the awesomeness of advertising's responsibilities.

VI

A safe course can be steered between the Scylla of an unregulated, low-level competitive brawl and the Charybdis of massive governmental control. To hold that course advertising men and women must accept the responsibilities that inevitably accompany the enjoyment of freedom and regulate themselves in the public interest. In that path lies survival.

The Nation's antitrust and trade regulation laws mark the path of responsibility. Those who would accept their responsibilities, and thus earn their freedom, must do two things: First, learn the requirements of the laws guarding our free economy; second, comply with those requirements. Compliance with the spirit as well as the letter of those laws is a necessity.

Fortunately, means to ease the task of education have proliferated in recent months. Any businessman who honestly seeks to develop a working knowledge of the pitfalls of deceptive advertising now has plentiful sources of information close at hand.

I am gratified that the Federal Trade Commission, during the period of my chairmanship, measurably extended its educational efforts. The expanded guides program, the new technique of area-wide business seminars and increased assistance to national and local advertising groups all marked this increased effort.

A tremendous educational effort has been forthcoming from the advertising industry itself. The updating and revising of the codes of most of the national associations, the new Advertising Truth Book of the AFA, and the development of codes of ethics by local better business bureaus and advertising clubs have all contributed to a new age of enlightenment in advertising. And the efforts of the media in improving the educational climate deserve special mention. Just last week I received a copy of the new standards of acceptability of the Detroit News. These standards are emblematic of a nationwide effort by the media to revise standards in the light of changed conditions. The Detroit News standards combine principles from the latest FTC guides and decisions, the Advertising Truth Book, and the latest studies of the better business bureaus. I am proud that I could furnish a small contribution to this outstanding work.

Marked progress in accomplishing the second task facing honest businessmen—that of complying with the laws denouncing deceptive practices—has gone forward with remarkable speed and effect during the past 18 months. No recount of the massive efforts of the great national associations of your industry—the four A's, the AFA, the ANA, and the Association of Better Business Bureaus—is necessary here. Their efforts are comparable to the efforts of the advertising industry to gain the passage of the Printers Ink statutes. I am particularly concerned with the efforts of local advertising clubs and better business bureaus to establish thorough-going programs of compliance at the grassroots level. It seems to me that programs of this character are indispensable if the taint of deception is to be banished from American advertising, and I think that the advertising men and women in a host of American communities have clearly recognized the importance of grassroots compliance. An industry ruled by free imaginations can value freedom well. Advertising groups in communities throughout the Nation have clearly recognized that the public's clamor for truth in advertising must be answered, if not by them then by government. In a host of communities, ethics committees and advertising panels have been revitalized or new ones established. Local media, advertising agencies, and advertisers have joined together in a common cause to fulfill the responsibilities of a free industry.

VII

I have mentioned two potent reasons for a strong industrywide effort to attain voluntary compliance with the law, but I would be remiss as a citizen if I failed to mention a third reason. At this critical juncture in the war of ideologies every American must be concerned not only with preserving the free enterprise system within our borders, but extending that system throughout the world. I do not think that we can consider too often how much damage to our international influence can be caused by shady dealing in American business.

Far more damage can be caused than the facts in any given case warrant. Our detractors make skillful use of the propaganda trumpet. With a squeaky fact at one end, they can produce a triumphant blast out of the other. It is a blast than can be heard by credulous ears. Our detractors ignore the self-discipline of a thousand law-abiding businessmen while they herald the chicanery of one. And this one, our detractors shout, is free enterprise in action.

Unjust? Of course it is. We become indignant that our competitive system should be so misrepresented. The very strength of our economy should be a refutation that immorality built it. But, in typical American fashion, our indignation searches for a comforting explanation—preferably one that avoids personal involvement in any corrective action. With a shrug, we tell ourselves that business since the days of the Phoenicians has never been without its larcenous few and never will be.

To some, this philosophy may be comforting, but not to me—particularly at a time when individual freedom and State slavery are locked in a battle for the minds of men. We cannot afford to shrug away our weaknesses—minor though they may be in fact and in proportion to our virtues, they are not minor through the trumpets of our enemies. And the whole world is listening.

The integrity of our business community can be impeached by an amoral element. But the impeachment can be lifted if business will exercise those great privileges of freedom—self-discipline and acceptance of law.

Report of Legislative Activities of the Committee on the District of Columbia, 1st Session, 87th Congress

EXTENSION OF REMARKS
OF
HON. ALAN BIBLE
OF NEVADA

IN THE SENATE OF THE UNITED STATES

Wednesday, September 27, 1961

Mr. BIBLE. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD a statement by me concerning the legislative activities of the Committee on the District of Columbia.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR BIBLE

In my capacity as chairman of the Committee on the District of Columbia, I am pleased to present to the Senate a report of the activities of the committee for the 1st session of the 87th Congress.

Your committee has seen the busiest session in some years. I believe the statistics and explanations presented hereafter will support the belief that 1961 has been legislatively productive in the best interests of the Nation's Capital City—the hub of one of the country's fastest growing metropolitan areas and the recipient of the inherent problems accompanying such mushrooming growth.

Congressional action was not completed on two matters of vital importance to the District's well-being; namely, the District's financial plight and the understaffed juvenile court where additional judicial manpower is critically needed.

To me, it is of paramount importance that conferees on the District's revenue bill return to conference sessions at the earliest opportune time next year to reach a decision to raise critically needed revenue for the operation of the District government. In my judgment, the Congress must face up to the hard facts that increasing governmental expenditures brought on by problems of a changing city require more local tax revenues and a greater Federal payment if the Nation's Capital City is to meet its obligations to its citizenry.

In the improvement of judicial machinery, again I believe it is regretful that the Congress has not seen fit to meet squarely the grave problems of the juvenile court where unattended juveniles today will become the full-fledged criminals tomorrow.

The Senate again passed legislation calling for 2 additional judges for the juvenile court whose backlog still numbers over the 1,000-case mark. The Judiciary Subcommittee, under the chairmanship of the distinguished junior Senator from Indiana, Mr. HARTKE, conducted a series of hearings on juvenile opportunities and the causes of juvenile delinquency in the District, taking testimony from many of the city's youth leaders and law enforcement officers. Again, I am hopeful that early next year, if additional judges are not the entire answer, then opponents of this effort will propose a realistic, workable yet not a backward youth correctional alternative for wayward juveniles.

The Committee on the District of Columbia, I believe, is unique among Senate committees by virtue of the great variety of problems, running the gamut of legislative proposals, which come before it. Constitutionally, the Congress is the legislative arm for the District. The committee serves not unlike the upper house of a State legislature, a board of county commissioners and a city council combined, dealing with matters ordinarily common to both State, county, and municipal governments.

Many of us believe the District's legislative duties should be delegated by the Congress to a locally elected body, giving to this National Capital City true representative self-government. However, the Congress has not yet seen fit to approve this step although the Senate has passed such home-rule legislation 5 times in the last 12 years.

Since I realize the fact that few Members of this distinguished body seek out this committee for service, I believe that my colleagues on this committee are most deserving of the gratitude of the entire Congress, the people of the District of Columbia, and the country generally for the long hours they spend in office conferences, hearings, and executive sessions to tend to the business of the Nation's Capital City and away from national and international matters and those dealing with their respective home States.

Therefore, I take this opportunity to express my deep appreciation to my subcommittee chairmen who so unselfishly gave of their time and energies in the service of the District of Columbia.

They are my distinguished colleague, the very effective and hardworking senior Senator from Oregon, Mr. MORSE, who is chairman of the Public Health, Education, Welfare and Safety Subcommittee; my close friend and a willing worker, the junior Senator from Maryland, Mr. BEALL, whose long service both in the Senate and House on the District Committees, has made his work most valuable as chairman of the Business and Commerce Subcommittee; the distinguished junior Senator from Indiana, Mr. HARTKE, whose skill and experience in municipal government and as an outstanding lawyer have been invaluable to our committee as chairman of the Judiciary Subcommittee; and the capable and efficient junior Senator from Massachusetts, Mr. SMITH, whose municipal government background served so well in his capacity as chairman of the Fiscal Affairs Subcommittee.

To the other committee members, the junior Senator from Vermont, Mr. PROUTY, whose past service in the House and keen interest has been of great value to our committee; and the junior Senator from Iowa, Mr. MILLER, whose capable enthusiasm and warm attention to the affairs of the Nation's Capital City have been invaluable to our committee deliberations, I wish to express my sincere thanks and deep appreciation for the hours they gave to the problems of the District of Columbia and its local government.

I believe the Senate and the Congress this year made real strides in the field of constructive legislation for the District.

Unquestionably foremost was enactment of a law to implement the 23d amendment to the Constitution of the United States, granting to the citizens of the Nation's Capital City for the first time the right to vote for President and Vice President along with all other Americans. In this matter, the Congress acted with dispatch. Less than 6 months before, the 23d amendment had been certified as a part of the Constitution following its ratification by more than the required three-fourths of the States, also in near record time.

It is the fervent hope of many of us that since presidential voting has been granted to the previously voteless Nation's Capital that its plight as a city with taxation but without representation can also be changed. The next step in bringing fullfledged democracy to the citizens of Washington, D.C., is securing an elective city government under home rule legislation.

It is my wish that hearings on home rule legislation now before this committee can be scheduled early in 1962 and the bill be given a priority in the committee's deliberations.

Probably ranking second in the foremost legislative achievements in 1961 was the first implementing step in developing a mass rapid transit system for the Washington metropolitan area. Legislation was enacted authorizing a $2½ million program by the National Capital Transportation Agency to acquire land in suburban Maryland and Virginia for median strips for express transit service on two major highway links, express bus service on a third suburban arterial highway and parking areas and stations adjacent to such routes.

In the field of law enforcement, so important to a city where the crime rate has continued to climb year after year, the Congress authorized a 3,000-man Metropolitan Police force, interestingly enough 100 years after the Nation's Capital City saw its first organized police organization formed in 1861.

In an associated field, the Senate approved legislation establishing a juvenile division of the District's Youth Correctonal Center at the Lorton, Va., reformatory to permit eventual abandonment of the National Training School.

The committee again approved a bill outlawing mandatory capital punishment in the District, the only jurisdiction in the country with such a requirement, believing the District must get into step with other States in this field.

In an effort to curb traffic fatalities, the Senate passed legislation permitting the courts to increase jail sentences for traffic violations from 10 to 90 days.

The Senate passed bills providing for the District government to dispose of properties seized incident to violations of gambling and indecent publication laws of the District of Columbia. In addition, provision was made for the use of injunctions in connection with premises that have been involved in violation of the indecent publication laws.

In the field of improved judicial machinery the Senate authorized an increase in jurisdiction of the small claims court to aid many more residents in recovering money due and owing, provided the municipal court with authority over more civil cases by giving it jurisdiction over all counterclaims and cross-claims regardless of the amount of such cross-claims and counterclaims, amended the District of Columbia divorce, legal separation, and annulment laws and extended privileged communications to ministers of religion.

The Senate voted to strengthen the District's unemployment compensation laws to increase and extend benefits for workers and grant more protection for employers in connection with disqualification provisions.

In the education field, the Senate authorized establishment of a junior college division at D.C. Teachers College to meet an increasing demand for qualified teachers locally.

In the public welfare field, the Senate approved a bill consolidating the District's public assistance laws, providing a 1-year residence requirement, increasing relative responsibility requirements and making penalties uniform for fraudulent practices.

Two health regulatory measures won Senate approval. The District Commissioners were empowered in one bill to set standards and criteria for the regulation of the practice of physical therapy and a second bill authorized the establishment of tissue banks to aid the development of constructive medicine and surgery.

The Senate approved a bill extending for 1 year the Hospital Center Act with the assurance that the administration would send draft legislation to the Congress next year setting out a framework for orderly

planning and developing of metropolitan area hospital needs, rather than providing hospital facilities paid for by the District and presently used 40 percent by non-District patients.

In connection with this activity report, I should like to draw the Senate's attention to one overall figure in the statistical table hereafter. The committee in the 1st session, 87th Congress, had referred to it for action a total of 136 bills, acts, and nominations. Of this total 46 are awaiting final action by the committee and 62 were cleared by the committee for Senate action. The committee's active consideration of these matters stands as a commendable record in which the Senate should take justifiable pride.

The Committee on the District of Columbia received for consideration in the 1st session, 87th Congress, the following:

Senate bills	84
Housing bills	25
Nominations	27
Grand total	136

During the session, there were reported to the Senate from the committee 30 Senate bills and 17 House bills. Two Senate bills and one House bill remain on the Senate Calendar.

Of the 25 House bills referred to the Senate, 8 are pending before the committee.

Eighteen bills and acts have become public law as of this date (September 27, 1961).

Fourteen Senate-passed bills are pending before the District of Columbia Committee of the House.

Forty-seven hearings were held by subcommittees on Senate bills, 13 hearings were held by subcommittees on House bills.

The full committee held hearings on 18 bills and nominations.

The full committee met in executive session on five occasions.

Number of bills, acts, and nominations referred to committee: 136.

Number of bills, acts, and nominations reported to Senate: 62.

Number of bills and acts in process (hearings held): 2.

Number of bills and acts indefinitely postponed within committee, including consolidation, and nominations withdrawn: 26.

Number of bills, acts, and nominations awaiting final action: 46.

The following is a list, by title and number, of all bills and acts passed by the Senate during the 1st session of the 87th Congress (those that became law are indicated by the public or private law number):

S. 158. A bill to confer upon the domestic relations branch of the municipal court for the District of Columbia jurisdiction to hear and determine the petition for adoption filed by Marie Taliaferro. (Private Law 87–208.)

S. 486. A bill to provide for the appointment of two additional judges for the juvenile court of the District of Columbia.

S. 502. A bill to authorize the employment of retired personnel of the Federal Government by the Board of Education of the District of Columbia, and to authorize the employment of retired personnel of the Board of Education of the District of Columbia, by the Federal Government.

S. 557. A bill to amend the act entitled "An act to authorize the Commissioners of the District of Columbia to remove dangerous or unsafe buildings and parts thereof, and for other purposes," approved March 1, 1899, as amended.

S. 558. A bill to amend the acts of March 3, 1901, and June 28, 1944, so as to exempt the District of Columbia from paying fees in any of the courts of the District of Columbia.

S. 559. A bill to amend the District of Columbia Traffic Act, 1925, as amended.

S. 560. A bill to amend the act entitled "An act to provide for compulsory school attendance, for the taking of a school census in the District of Columbia, and for other purposes," approved February 4, 1925.

S. 561. A bill to amend the act relating to the small claims and conciliation branch of the municipal court of the District of Columbia, and for other purposes. (Public Law 87–203.)

S. 563. A bill to amend the act entitled "An act to create a Board for the Condemnation of Insanitary Buildings in the District of Columbia, and for other purposes," approved May 1, 1906, as amended.

S. 564. A bill to provide for apportioning the expense of maintaining and operating the Woodrow Wilson Memorial Bridge over the Potomac River from Jones Point, Va., to Maryland.

S. 588. A bill to amend the act of May 29, 1930, in order to increase the authorization for funds for the extension of certain projects from the District of Columbia into the State of Maryland, and for other purposes.

S. 914. A bill to provide for more effective administration of public assistance in the District of Columbia; to make certain relatives responsible for support of needy persons, and for other purposes.

S. 1291. A bill to amend the District of Columbia Traffic Act, 1925, as amended, to increase the fee charged for learners' permits.

S. 1292. A bill to amend the act of June 19, 1948, relating to the workweek of the Fire Department of the District of Columbia.

S. 1328. A bill to authorize the establishment of a junior college division within the District of Columbia Teachers College, and for other purposes.

S. 1528. A bill to make the Policemen and Firemen's Retirement and Disability Act Amendments of 1957 applicable to retired former members of the Metropolitan Police force, the Fire Department of the District of Columbia, the U.S. Park Police force, and the U.S. Secret Service; and to their widows, widowers, and children. (Vetoed.)

S. 1529. A bill to amend the act entitled "An act to regulate the height of buildings in the District of Columbia," approved June 1, 1910, as amended. (Public Law 87–281.)

S. 1651. A bill to authorize the Commissioners of the District of Columbia to delegate the function of approving contracts not exceeding $100,000.

S. 1761. A bill to amend the act of March 3, 1901, relating to divorce, legal separation, and annulment of marriage in the District of Columbia.

S. 1762. A bill to regulate the practice of physical therapy in the District of Columbia. (Public Law 87–280.)

S. 1918. A bill to extend benefits of the Policemen and Firemen's Retirement and Disability Act Amendments of 1957 to widows and surviving children of former members of the Metropolitan Police force, the Fire Department of the District of Columbia, the U.S. Park Police force, the White House Police force, or the U.S. Secret Service Division, who were retired or who died in the service of any such organization prior to the effective date of such amendments.

S. 2194. A bill to amend the District of Columbia Unemployment Compensation Act of 1935, as amended.

S. 2299. A bill to provide for the establishment of a juvenile division within or in connection with the District of Columbia Youth Correctional Center, and to authorize the judge of the juvenile court of the District of Columbia to commit to such juvenile division, subject to the provisions of the Juvenile Court Act, children 15 years of age or older.

S. 2321. A bill to encourage and aid the development of constructive medicine and surgery and the development of medico-surgical research by authorizing the licensing of tissue banks in the District of Columbia, by facilitating antemortem and postmortem donations of human tissue for tissue bank purposes, and for other purposes.

S. 2356. A bill to amend the act known as the "Life Insurance Act" of the District of Columbia, approved June 19, 1934, and the act known as the "Fire and Casualty Act" of the District of Columbia, approved October 3, 1940.

S. 2397. A bill authorizing the National Capital Transportation Agency to carry out part 1 of its transit development program and to further the objectives of the act approved July 14, 1960 (74 Stat. 537).

H.R. 256. A bill to amend the District of Columbia Alcoholic Beverage Control Act. (Public Law 87–238.)

H.R. 258. A bill to amend the District of Columbia Sales Tax Act to increase the rate of tax imposed on certain gross receipts, to amend the District of Columbia Motor Vehicle Parking Facility Act of 1942 to transfer certain parking fees and other moneys to the highway fund, and for other purposes.

H.R. 3222. A bill to amend section 4(a) of the act of April 1, 1942, so as to confer jurisdiction on the municipal court for the District of Columbia over certain counterclaims and cross claims in any action in which such court has initial jurisdiction. (Public Law 87–242.)

H.R. 4669. A bill to amend the law relating to gambling in the District of Columbia. (Public Law 87–259.)

H.R. 4670. A bill to amend the law relating to indecent publications in the District of Columbia.

H.R. 4913. A bill to amend the act of August 7, 1946, relating to the District of Columbia Hospital Center to extend the time during which appropriations may be made for the purposes of that act. (Public Law 87–79.)

H.R. 5486. A bill to prohibit the examination in District of Columbia courts of any minister of religion in connection with any communication made to him in his professional capacity, without the consent of the party to such communication. (Public Law 87–318.)

H.R. 5968. A bill to amend the District of Columbia Unemployment Compensation Act, as amended.

H.R. 6495. A bill to amend the Life Insurance Act of the District of Columbia. (Public Law 87–249.)

H.R. 6798. A bill to amend the act incorporating the Washington Home for Foundlings and to define the powers of said corporation. (Public Law 87–226.)

H.R. 7044. A bill to amend section 35 of chapter III of the Life Insurance Act for the District of Columbia. (Public Law 87–245.)

H.R. 7154. A bill to authorize the Commissioners of the District of Columbia to regulate the keeping and running at large of dogs. (Public Law 87–227.)

H.R. 7218. A bill to provide that the authorized strength of the Metropolitan police force of the District of Columbia shall be not less than 3,000 officers and members. (Public Law 87–60.)

H.R. 7265. A bill to amend the code of law for the District of Columbia so as to provide a new basis for determining certain marital property rights, and for other purposes. (Public Law 87–246.)

H.R. 7482. A bill to amend the Life Insurance Act of the District of Columbia approved June 19, 1934, as amended. (Vetoed.)

H.R. 7622. A bill to repeal sections 1176 and 1177 of the Revised Statutes of the United States relating to the District of Columbia. (Public Law 87–267.)

H.R. 8032. A bill to amend the Healing Arts Practice Act, District of Columbia, 1928, and for other purposes. (Public Law 87–248.)

H.R. 8444. A bill to amend the act of August 12, 1955, relating to elections in the District of Columbia.

H.R. 8466. A bill to authorize the construction of a railroad siding in the vicinity of Taylor Street NE., District of Columbia. (Vetoed.)

H.R. 9080. A bill to authorize the Philadelphia, Baltimore & Washington Railroad Co. to construct, maintain, and operate branch sidings over First Street SW., in the District of Columbia. (Public Law 87-325.)

The following is a list of nominations confirmed by the Senate:

Neville Miller, to be a member of the District of Columbia Redevelopment Land Agency to fill the unexpired term of James E. Colliflower, resigned, whose term expires March 3, 1961.

Walter N. Tobriner, of the District of Columbia, to be a Commissioner of the District of Columbia for a term of 3 years and until his successor is appointed and qualified.

Neville Miller, to be a member of the District of Columbia Redevelopment Land Agency, for a term of 5 years, effective on and after March 4, 1961.

C. Darwin Stolzenbach, of Maryland, to be Administrator of the National Capital Transportation Agency.

John Joseph Gunther, of the District of Columbia, to be a member of the District of Columbia Redevelopment Land Agency for the unexpired term of 5 years from March 4, 1957, vice Andrew Parker, resigned.

Warrent D. Quenstedt, of Virginia, to be Deputy Administrator of the National Capital Transportation Agency.

John B. Duncan, of the District of Columbia, to be a Commissioner of the District of Columbia for a term of 3 years and until his successor is appointed and qualified.

Thomas L. Farmer, of the District of Columbia, to be a member of the Advisory Board of the National Capital Transportation Agency.

G. Franklin Edwards, of the District of Columbia, to be a member of the Advisory Board of the National Capital Transportation Agency.

Frederick Gutheim, of Maryland, to be a member of the Advisory Board of the National Capital Transportation Agency.

Donald C. Hyde, of Ohio, to be a member of the Advisory Board of the National Capital Transportation Agency.

May C. Barlow, of the District of Columbia, to be associate judge of the municipal court for the District of Columbia for a term of 10 years.

James A. Washington, Jr., of the District of Columbia, to be a member of the Public Utilities Commission of the District of Columbia for a term of 3 years expiring June 30, 1964.

Andrew J. Howard, Jr., of the District of Columbia, to be associate judge of the municipal court for the District of Columbia for a term of 10 years.

The Agency Shop Ruling

EXTENSION OF REMARKS

OF

HON. ROMAN C. PUCINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 27, 1961

Mr. PUCINSKI. Mr. Speaker, Chicago's American recently ran a very interesting editorial in which it analyzed and the recent decision by the National Labor Relations Board dealing with agency shops.

The National Labor Relations Board has handed down several important decisions lately. I believe the following editorial comment on one of the Board's most recent decisions merits the attention of all of us here in Congress:

While the Board's ruling on agency shops has been criticized in some quarters, it appears to me that the following editorial quite succinctly spells out the reasons why the board was correct in its decision.

Mr. Speaker, the editorial which appeared in Chicago's American follows:

THE AGENCY SHOP RULING

The National Labor Relations Board, reversing a previous decision, ruled Friday that the agency shop—a compromise arrangement between union shop contracts and right to work laws—is legal under the Taft-Hartley Act. The main result of this ruling will probably be that States which have passed laws against the union shop will face new legislation battles on whether to outlaw the agency shop as well.

Under the agency shop arrangement, a worker does not have to join a union to keep his job, as he does under union shop contracts. But he does pay to the union sums equal to the fees and dues paid by union members. The NLRB ruling means that this device is legal under Federal law; it doesn't affect the States' ability to make their own laws about it.

In the circumstances, the ruling was realistic. It won't end the disputes about union rights against individual workers' rights, but it does leave a lot less to argue about; the difference between a union shop and an agency shop is the difference between compelling a worker to join and merely giving him an extra incentive.

Opponents of the union shop could argue convincingly that it was an infringement of a citizen's rights to deny him work unless he joined an organization he didn't want to join. But if he is merely required to pay for the benefits of having a union, whether or not he chooses to join, it can hardly be called a hardship.

The NLRB ruling involved a dispute between the United Auto Workers of Indiana and General Motors Corp. Indiana courts had held that the agency shop did not violate the State's right-to-work law. If Indiana wants to outlaw the agency shop, it can do so by amending its present law—and the same applies to the 18 other States which have passed right-to-work legislation.

In other words, the NLRB decision was not a blanket Federal decree. It simply limited the Taft-Hartley law to exempt the agency shop, and left it up to the individual States to decide if they want to follow suit.

Women and the Republican Party

EXTENSION OF REMARKS

OF

HON. SEYMOUR HALPERN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 27, 1961

Mr. HALPERN. Mr. Speaker, 41 years have passed since women were given the right to vote in the United States. On August 26 in 1920 the 19th amendment to the Constitution was proclaimed to be effective and a law of our land. In simple language the woman suffrage amendment states:

The right of citizens of the United States to vote shall not be denied or abridged by the United States or by any State on account of sex.

The reasons why women should vote are the same as the reasons why men should vote—the same as the reasons for having a Republic rather than a monarchy. It is fair and right that the people who must obey the laws should have a choice in choosing the lawmakers, and that those who must pay the taxes should have a voice as to the amount of the tax, and the way in which the money shall be spent.

The Republican Party played a leading role in the long struggle which culminated in the adoption of the 19th amendment. We should be reminded that prior to its approval by a newly elected Republican Congress as its first order of business in 1919, the proposals had been defeated on earlier occasions by Democrat-controlled Senate and House.

Republican achievements in behalf of women should be a matter of record and it is my desire to bring some of the more important activities to your attention.

The Republican Party platform of 1876 approved the "substantial advances" of women in gaining equal personal and property rights through action by GOP State legislatures. It also approved the appointment of women to public offices. Prior to that in 1872 the Republican National Convention had gone on record with the first national declaration favoring "addiitonal rights" for women. In 1870 the Massachusetts Republican State Convention had seated two women suffragetts as delegates.

The first woman delegate to a national political convention was a Republican. That was in the city of Minneapolis in 1892.

The first proposal to be introduced in the U.S. Senate—in 1878—to give women the right to vote was made by Republican Senator A. A. Sargent, of California, and the measure lost in the Senate four times—three times while under Democratic control.

The first formal "rights for women" plank was contained in the Republican Party platform of 1896.

There were two ways through which women could be enfranchised: Congress could submit an amendment to the National Constitution which had to be ratified by three-fourth of the State legislatures; or the legislature of each State could submit an amendment to its own constitution which would receive the approval of the majority of the voters. Every Congress since 1869 had received the appeal for woman suffrage, but it was the Republican Party in 1916 that went on record favoring woman suffrage. That same year, 1916, Miss Jeanette Rankin, a Republican, was the first woman elected to Congress.

The newly elected Republican Congress in 1919 enacted as the first order of business the equal suffrage amendment which was introduced by Republican Representative James R. Mann, of Illinois. The measure passed the House 304 to 88 and the Senate 56 to 25. Prior to that, from 1913 to 1919, the Democratic Party controlled both the House and Senate and five times the proposals to provide suffrage to women were defeated.

When the suffrage amendment went to the States for ratification, 26 of the 36

States which ratified had Republican legislatures. Twelve Republican States had given women full suffrage in State elections before the 19th amendment became a part of the Constitution.

The endeavors of the Republican Party to give the right to vote to the women of our Nation did not by any means conclude the party's ardent support of future and further accomplishment for women. The 1940 Republican National Convention proposed a constitutional amendment providing for equal rights for men and women.

In 1948, the GOP platform favored "equal work regardless of sex," and the conventions of 1952 and 1956 reaffirmed these stands. The 1960 party platform stated:

Congress should submit a constitutional amendment providing equal rights for women.

On February 16, 1953, President Eisenhower appointed Mrs. Clare Booth Luce as U.S. Ambassador to Italy and in July of that year Miss Frances Willis was appointed as U.S. Ambassador to Switzerland. Miss Willis was the first career woman diplomat to be promoted to the rank of Ambassador.

The appointment of Mrs. Oveta Culp Hobby was another milestone. She was the first women Administrator of Social Security Administration, and in that role she was the first woman to "carry the ball" in the creation of a new Cabinet post—the Department of Health, Education, and Welfare. She headed it as its first Secretary, serving from 1953–55.

Other firsts for the Republican Party include President Eisenhower's appointment of Mrs. Pearl C. Pace as the first woman Chairman of the Foreign Claims Settlement Commission on July 1, 1954, and the appointment of Mrs. Dorothy McCullough Lee as the first women Chairman of the Subversive Activities Control Board on August 31, 1956.

In January 1959, President Eisenhower designated Dr. Hazel K. Stiebeling to be the first woman to receive the highest honor the Nation can bestow on its career civil servants—the President's Award for Distinguished Federal Civil Service.

We should not forget that one-fourth of the delegates and alternates to the 1960 Republican National Convention in Chicago were women—an alltime high for any party.

It is the profound belief of the Republican Party that men and women together will be able to enact more humane laws than men alone can enact. It is a known fact that questions concerning women and children can be treated with deeper seriousness by men and women together. Government consisting of men and women together has made our Republic more profound. The Republican Party's record is indicative of the thesis that in the larger housekeeping interests of city, State, or Nation, women have as important functions as in the housekeeping affairs of the home.

It was Theodore Roosevelt who said:

It is the right of woman to have the ballot; it is the duty of man to give it; and we all need women's help as we try to solve the many and terrible problems set before us. In the solution of these problems, we should use the full and not the cramped strength of every man and woman in the entire commonwealth.

Where Are We Headed?

EXTENSION OF REMARKS
OF
HON. JOHN M. ASHBROOK
OF OHIO
IN THE HOUSE OF REPRESENTATIVES
Wednesday, September 27, 1961

Mr. ASHBROOK. Mr. Speaker, attention has recently been focused in my State on action which is being contemplated by the United Auto Workers Local 971 of Elyria, Ohio, against two of its workers who are producing too much. By no means can it be said that tactics such as these are the cause of our national problems but they must be recognized as one of the contributing factors.

Americans are suddenly waking up to the fact that we are falling behind in our efforts to keep pace with our historical advancement and heritage. Instead of striving to do better and work harder, a national paralysis has struck the past generation with a result that we are seeking the soft life, the easy way out. True, we are ahead of the world as a Nation and our standard of living is unexcelled in all recorded history. Yet, many storm signals have been apparent for 3 decades but we are too content with the security won for us by others, our forefathers, to suffer any privation which might come from a long, hard look at what we are doing and where we are heading.

On September 12, 1961, the Cleveland Plain Dealer carried the following article:

TWO FACE UNION CHARGE FOR WORKING TOO HARD

Two veteran employees of the Bendix-Westinghouse Automotive Air Brake Co. plant in Elyria face possible expulsion from their union—and consequent loss of their jobs—for refusing to cut down their production.

Members of United Auto Workers Local 971 will select a committee at their regular meeting tomorrow to arrange for a union trial for Walter Lucki, 42, of 7264 Maddock Road, North Ridgeville, and Walter Fingulin of Wakeman, Huron County.

Lucki, a crankshaft grinder, has worked at the Bendix plant for 22 years. Fingulin, a 20-year employee, is a storeroom man.

Local 971 and Bendix are negotiating a new contract. The current agreement expires October 1.

On August 26 the local adopted a policy by which members would produce "no more than the normal standard established for the job." Ordinarily, workers are paid extra for anything they produce beyond 100 percent of their company-set quota.

It was this action that resulted in the company filing an unfair labor practice charge against the union before the National Labor Relations Board in Cleveland yesterday. E. R. Willemin, director of company industrial relations, said the slowdown was a violation of the union's contract.

Lucki and Fingulin have refused to bow to the August 26 resolution and have been producing in excess of their established rate. As a result the local president, Frank Lender, notified them of four charges leveled against each man.

The charges are violating his pledge as a member; failing to carry out his duties as a member; acting against the membership in not following the majority's dictates; and setting himself apart and aside from the membership.

LUCKI COUNTERS

If found guilty, Lucki and Fingulin could be reprimanded, fined, or expelled from the union.

Yesterday Lucki countered by accusing the local of trying to stage a slowdown and condoning abuses by members.

Lucki said he could produce up to 135 percent of his quota in 6 to 6½ hours, if things go reasonably smooth. This earns him an extra $25 or $30 a week, he said.

Lucki has eight children and his wife is expecting a ninth soon.

Lucki claimed members instituted a slowdown because they felt the company was stockpiling in preparation for a possible strike when the contract expires.

IT'S COMPANY BUSINESS

"It's the company's business if they are (stockpiling)," he said. "There may be other reasons for stockpiling."

"The machinery and the materials are there and the incentive is there to be used. It should be used."

"The company has been very good to me in my 22 years," Lucki added. "I always believed that you shouldn't slap the hand that feeds you."

Lucki emphasized that he has always been a strong and dedicated union member.

"I wouldn't want to work at a plant where there was no union," he said, "but on the other hand there can be abuses. A union can have a stranglehold on a plant. I feel both sides should be fair."

MIGHT LOSE JOBS

If they are expelled, Lucki and Fingulin may lose their jobs. The contract calls for a union shop.

Lucki, however, felt confident he would not lose his job.

"It takes a membership vote to expel a member, and there are plenty of oldtimers who know what's going on in the plant," he said.

Lucki works the 3 to 11 p.m. shift. He claimed that he and his fellowworkers frequently finish their quota by 7 p.m.

"After that, they sit around upstairs and play cards," he said. "The place looks like a regular Monte Carlo some nights. Some of the guys who don't want to play cards sleep."

I received a fine, penetrating letter from a constituent which has a message in it. It raises some very interesting question and is certainly worth reading:

JEROMESVILLE, OHIO,
September 14, 1961.

Hon. JOHN M. ASHBROOK,
House of Representatives,
Washington, D.C.

DEAR SIR: United Auto Workers Local 971 of Elyria, Ohio, are bringing action against two of its members because they are producing too much. The union claims the men must not go over a standard of production which has been set. The two men—Walter Lucki and Walter Fingulin—veteran employees, are doing 135 percent more work than the other men. These two men claim that the other workers finish their quota in half the working day and then sit around, or play cards, the rest of the day.

Mr. Lucki and Mr. Fingulin are earning more by their own endeavor. They are not asking the employer to pay them more for the same, or less, work as some unions keep

doing. They are meriting more by producing more.

To me this action, by the UAW 971 against these men, is a disgrace and has the smell of catastrophe. Dare we as a nation permit a policy of this sort? Are we to condone parasites? We cannot afford to pay in dollars and cents for laziness or minimal effort. The price in moral degradation is staggering.

A copy of this letter is being sent to the UAW Local 971 and one to our local newspaper. I would like to ask the officers, and members of local 971 some questions:

1. Do you suggest to your children in school that they only do enough work for a C or average grade?

2. Do you encourage your children to do only what is demanded of them and no more?

3. Do you permit anyone doing home repairs, or the equivalent, for you to work 4 hours 1 day and 4 hours the next day and chareg you for two 8-hour days?

Think what you are recommending to your members and the workers of tomorrow that are growing up around you. You should be ashamed for not holding up these two men as examples to be followed, as prototypes of the kind of workmen your union offers.

Mr. ASHBROOK, as a private citizen of another city, I can do nothing. I am asking you through your office, or that of the Representative of the Elyria district, to do something to stop this potentially disastrous action. Perhaps the pressure of public indignation may deter them.

Thank you for your interest.

Sincerely,

Mrs. GERALD LIKES.

JEROMESVILLE, OHIO, Route 1.

One of the outstanding newspapers of my district, the Mansfield News-Journal carried in its columns of September 17, 1961, this interesting editorial on the same subject:

THE WAY TO EARN NOTHING

Widespread attention is being focused on the two Elyria members of the United Auto Workers Union who face trial by a union committee for doing more than their quota of work.

They received bonus pay for their extra work even though it was done during the regular work shift. This was in accordance with a company-union agreement.

The union apparently does not object that these men made extra money. One of them probably needed it. He has eight children.

But the men did set a disturbing example by showing how much more could be produced in a normal 8-hour shift than the union quota permitted.

One of the men reported that often his fellow employees could fill that quota in 4 hours of an 8-hour shift. "After that they sit around and play cards," he is reported to have said.

In its origin, the quota system had two understandable purposes.

One: To prevent a company from unreasonably speeding up its piecework demands on the employee.

Two: To spread the work among more employees.

What has happened over the years is that the quotas have not kept pace with the mechanical advances in manufacturing.

Hence, in some instances a worker can now fill what was once a reasonable 8-hour quota in 4 or 5 hours.

So, a company which moved into an area where labor restrictions had not yet clamped down on its production, or a new company which started out wtih higher quotas, could produce more in less time and at less cost than the firm hobbled by out-of-date quotas.

Hobbled firms are finding they simply cannot meet competition from such untrammeled companies.

An unreasonable quota, therefore, no longer guarantees more men jobs but actually causes jobs to disappear as competition takes away the business that makes the jobs possible.

The Elyria case dramatizes the conflict between a man's normal desire to earn all he can and the union doctrine that less working means more jobs.

Actually the union doctrine is facing a severe test in many more places than Elyria.

Upshot of the whole matter is likely to be a new truism: "He who does nothing to be paid for soon finds there is nothing to be paid with."

No single group can be given the blame for our national problems. We see a loss of markets because of our high costs of production. These high costs of production are a result of business and labor practices but also reflect the high cost of Government. Our Government has encouraged practices of waste and inefficiency because it operates that way.

We appear to be constitutionally unable to balance our national spending appetite with tax receipts. We see an administration and a Congress dedicated to Keynesian and Fabian Socialist policies which call for billions more in welfare spending. We see a loss of trade abroad because of the contributing factor of governmental policies which are inconsistent, unreciprocal, and weak-kneed. We are reaping the welfare state harvest in a dollar which has lost over half of its purchasing power, a lack of national pride in work and accomplishment, a national debt nearing $300 billion which extracts $9 billion each year in interest alone.

The socialistic proposals which were rejected by Germany are being used to advance the economy of the United States. This interesting editorial appeared in the Columbus (Ohio) Citizen-Journal on May 18, 1961:

GERMANY TEACHES THE UNITED STATES

U.S. economic advisers increasingly are embarrassed by contrasts between America and West Germany—persistent unemployment here as against a labor shortage there.

Scripps-Howard Writer Roger Stuart has dug up a long-secret report which helps explain the embarrassment.

The report was made by a team of U.S. economists and submitted to the West German Government September 24, 1951. On the U.S. team was Prof. Walter Heller, now Chairman of President Kennedy's Council of Economic Advisers.

Some of the recommendations:

West Germany was told it couldn't achieve the necessary rate of industrial expansion if it kept on worrying about inflation. The government was chided for an excessive concern for price stability.

However, Dr. Ludwidg Erhard, West German finance minister, knew something about inflation. He had seen his parents' life savings lost when the mark went to pot. He rejected this advice.

Erhard also was told by the U.S. advisers that "a rate of interest high enough to stimulate any large volume of personal savings would seriously curtail investment." But German interest rates were left to find their own high level and so were savings and investment. Today West Germany is investing up to a quarter of its national output annually in the most modern industrial plant in the world.

Erhard was cautioned against liberal depreciation policies and advised instead to adopt a "compulsory investment program." But liberal depreciation policies helped the German economy grow last year at the rate of 10.8 percent. The U.S. rate was less than 3 percent.

Just 15 years ago West Germany was a defeated and demoralized nation, its resources squandered by Hitler, its factories and homes flattened by bombs. Since then it has taken in more than 12 million refugees. It has imported nearly half a million more and still has a labor shortage.

Average wages have doubled in 10 years and still are climbing. And increases mostly are in true values because of effective measures against inflation.

West Germany last year lost fewer than 40,000 man-days through strikes. We lost twice that many on missile bases alone. German wage raises have come out of increased productivity—8 percent last year. German prices have been kept competitive in world markets, thus rapidly expanding foreign commerce.

The Germans, in short, have followed the historic principles of free enterprise—despite the advice they got from the United States. Even the West German Socialist Party has repudiated socialism.

The general theories of the 1951 report, rejected by the Germans, are the general theories now being urged on America by Professor Heller and other administration economists: Big spending and even budget-busting tax cuts, which breed inflation; artificial restraints on interest rates, which discourage saving and encourage Americans to export jobs by investing abroad; gimmicks in the form of tax incentives instead of adequate depreciation allowances.

Somewhere in all this may be found a clue to our creeping rate of growth, so roundly deplored in the campaign. Now Professor Heller wants us to follow some more of our own bad advice.

All of this adds up to an Alice in Wonderland economy. Where are we headed? Do we still believe in the free enterprise system or are we hopelessly committed to the welfare state and the next step, state socialism? The discouragement of work, policies of business, labor, and government which discourage economy and thrift and a citizenry which no longer cares are all of the ingredients we need to destroy our free institutions. What a paradox it would be if a nation dragging its feet should be overtaken and passed by a nation dragging its chains.

The Vanishing Incentives

EXTENSION OF REMARKS

OF

HON. JOHN MARSHALL BUTLER

OF MARYLAND

IN THE SENATE OF THE UNITED STATES

Wednesday, September 27, 1961

Mr. BUTLER. Mr. President, on June 8, 1961, Mr. Robert C. Tyson, chairman of the finance committee of the United States Steel Co., addressed the Manufacturing Chemists' Association. In his speech entitled "The Vanishing Incentives," Mr. Tyson emphasizes the importance of economic incentives to our way of life. He further points out the deadening impact of our tax burden on incentives and the stranglehold effect that the present tax laws have on the savings and investment process

which is so vital to a private enterprise system.

Mr. President, I ask unanimous consent that Mr. Tyson's remarks be printed in the Appendix of the RECORD.

There being no objection, the remarks were ordered to be printed in the RECORD, as follows:

THE VANISHING INCENTIVES

(By Robert C. Tyson)

I suppose it is no secret to you fine folks that production and profits in the steel industry have not, over the past several months, been cause for general jubilation. Rumor has it that a similar comment might perhaps also apply to your great basic industry. In recent weeks, however, things have been a bit better and everybody hopes they will get ever better and better so that the perplexing problems of the present will evaporate into dust of the past. But neither you, nor I, nor anybody else can guarantee such an outcome however devoutly desired. It is far wiser to recognize realistically that only as and when the problems of the present are satisfactorily solved will the road to a bountiful future be cleared.

With that in mind I turn directly to a subject that I regard as real cause for concern. I refer to the stifling—the vanishing, if you will—of the economic incentives upon which employment and growth in our land depend. Such incentives are more important to a free people than to those in authoritarian societies where men can be whipped into obedient servitude for the benefit of a ruling class. They can be forced to imitate the accomplishments that the initiative and resourcefulness of free men have elsewhere achieved. But where men are free it is obvious that maximum economic motivation and growth rest on the unhampered presence of incentives. The incentives are on the one hand the hope of achieving good income or profit through superior proficiency in producing wanted goods and services and, on the other hand, the disciplining fear of smaller income or loss for those who do not productively exert themselves in their own support. In a free society there is strong moral sanction for charity, but the essence of freedom is that no man is entitled to be a "free rider" on others' efforts without their consent.

I said that these incentives are being stifled in our land. The process has indeed been progressing for a quarter of a century or more. But for the past 20 years the stifling has been obscured and its evil consequences diminished or deferred by reason of the great war for survival and the insistent demands of the worldwide reconstruction years that followed it. To fight the fire in your house and repair the damage thereby wrought you don't need the profit and loss motives or, at least, they manifest themselves in different forms.

But, gentleman, the party is over; an era has come to a close. The uniform precedents of former postwar developments indicate, if followed this time, that we could be in for a stretch of rather difficult years—years of persistent unemployment; years of slackened economic growth; years when we greatly need the full stimulus of the historic incentives to invoke inventiveness, initiative, innovation, and risk taking so that we will become busy in finding and producing the new products of the future now that the war-accumulated tasks of the past have been done.

TO STIFLE INCENTIVE

The process of stifling incentives is simple and its consequence is disastrous for our type of society. Indeed it was all spelled out over 100 years ago in the Communist manifesto. It is quite simply to tax punish productive efficiency wherever it shows its head and everywhere to coddle the less efficient or the idle. If carried to the full this eliminates all of both types of incentives and converts everybody from the personal pursuit of productivity to the competitive practice of indolence.

So that brings me to taxes—a necessity in any organized society but subject to terrible abuse. Business leaders do not always agree, but the premise here is one from which no one dissents: There is no such thing as a tax incentive. Any tax at all is a deterrent or "disincentive," to use a lately coined word. No one is ever normally stirred to earn or to produce anything by the knowledge that it (or its equivalent) will be taken from him by taxes. People may produce in spite of, but never because of, taxes. This is not to belittle the importance of the manner in which taxes are levied—to which I will come in a moment; but it does permit the observation that big taxes as such are deadly deterrents. This is one case where I readily concede that bigness is bad.

OUR TOTAL TAXLOAD

May I next add that, by any absolute or relative measurement one wishes to use, taxes in America are big, mighty big. There are about 100,000 taxing authorities in America and in the last fiscal year they collected more than $125 billion. As an aside I note that in the same year they spent over $150 billion. The tax burden was equal to one-third of the combined income of all persons in the country. For comparison one may note that in 1926 the corresponding burden was only about 13 percent. Years ago the distinguished scholar, Colin Clark, made studies to estimate the taxload that a market economy could endure without breaking out into inflation, and concluded it was about 25 percent. We have passed that point. A recent bulletin of the First National City Bank of New York reported that among all the leading industrial nations we are in most significant respects, if not in every single respect, the highest taxed people on earth.

My point, my first point, is that no one of us who loves his country dares dismiss as unimportant the ever-mounting burden of total taxation we already bear, especially in view of the huge future social expenditures to which we are already committed but for which we have not provided. I remind you of the proverb anent the straw and the camel's back. So let's not forget that big point as Congress conducts the customary scramble in which all groups seek to get the "mostest" for themselves to be paid for by taxes on that convenient "other fellow."

THE EXPENDITURE ALIBI

I realize, as do you, that behind taxes and pushing them upward are swollen and swelling expenditures for which there is an infinite array of appealing rationalizations. Since the close of World War II, for example, our Government has spent, loaned, or given away to others abroad well over $100 billion. Also, I recall that back in the 1930's when farmers were having hard times we initiated a costly farm program; it is still with us and has cost so far about $60 billion. Of late it is still costing about $5 billion a year. In each of the past 6 congressional election years the benefit or the coverage under old-age or unemployment programs has been enlarged. This may appeal to the cynical, but it should perturb the prudent. We spend nearly $50 billion a year on national defense and international relations. I observe that for each increase of three people in productive employment over the past 30 years, there has been an increase of one person in Government employment of civilians, with attendant cost increases.

These matters are in some quarters undoubtedly regarded as untouchably hot potatoes. So be it. But I do not challenge that the expenditures may have accomplished good purposes. I will go further: I can—and you can, too—readily think up a whole lot of other good purposes that would cost, not trivial billions, but some handsome number of trillions. I have two comments—one as viewed by an accountant; another as viewed, perhaps, by a Cassandra. Since an accountant must ever balance the books I point out that whatever good is done by the spending must be balanced against the evil done by the taxing. Taking value from Peter to give to Paul does not increase total value one iota; instead, the value is undoubtedly in some part dissipated, if only by the overhead costs incurred in its transfer. Since a Cassandra would indulge in prophecy, I suggest that this Nation will encounter disaster if it continues to ride the fantastically rising curve of total taxing and spending it now bestrides—a much more than doubling in 10 years against a rise in national income at little more than half that rate. This great Nation could—despite wishful thinking to the contrary—dissolve its traditional institutions in financial bankruptcy. Within living memory it has happened to numerous other once strong nations.

I say this in full realization that there are two conflicting ideologies in our world today, each championed by a great nation armed to the teeth. We dare not lose that conflict. But some way other than sheer financial extravagance has got to be found, for the quite simple reason that whether you are murdered or commit suicide you are nevertheless dead.

THE CREATION OF JOBS

I turn next to the special impact of taxes, and particularly Federal income taxes, on incentives. It is best examined in terms of the mechanism through which new production and new jobs come into existence; for failure to understand and protect that mechanism lets any unemployment at all become the political occasion for initiating vicious tax-spend spirals that injure the mechanism and so perpetuate, rather than remedy, the unemployment. We had a taste of unemployment thus rendered chronic in the 1930's, from which we were rescued, however grim the thought, only by the galvanizing requirements of war.

We all know that economic activity is basically powered by human wants and that their effective satisfaction calls for many ingredients such as education, ingenuity, inventiveness, initiative, risktaking, thriftiness, moral and legal codes, dependable money, an orderly society, and so on—all of which are taken for granted. My present purpose is served by focusing on the axiomatic truth that for us there is one, and only one, important way that new production and new self-sustaining jobs come into existence. It is by the investment of savings in tools of production that men may operate to produce the marketable values to cover their continuing wage and investors' profit. It is the save-invest process. If taxation is designed to siphon off savings and discourage investment, it can choke off growth and strangle the private enterprise system. It has been so designed. Nearly 20 years ago the late Prof. Sumner H. Slichter said, and I quote: "The tax history of the United States in recent years has been fairly sensational. A visitor from Mars would suspect that a Communist fifth columnist was writing the laws for the purpose of making private enterprise unworkable." Should that chap revisit us now, he might well have the same suspicion.

ANTIJOB TAXATION

Consider the personal income tax: June 15 is not so far ahead nor April 17 so far behind that it could have completely slipped your minds. Its distinctive feature is that to each increment of larger incomes a progressively greater tax rate is applied, reaching 91 percent in the top bracket. Since the British have been consistently reducing the rigor of their personal income taxation, our 91 percent achieves the dubious distinction of being the highest such tax rate in the whole free world. Quite aside from Robin

Hood moralizing about letting anyone enjoy a competitively earned income greater than your own, can you think of a better way to siphon off savings from those most capable of making them and of investing them in the new job-creating ventures that spell progress? Is there a better way to destroy incentive to risk savings in new ventures than to tax away at steeply mounting rates any profits derived from so doing, while any loss of the savings so risked remains the investor's hard luck? Americans are adequately reckless but not recklessly foolish.

The taxation of corporate income unfortunately fits into the same growth and employment beclouding pattern. This is ominous because corporations provide two-thirds of all the nongovernmental employment and production. Through them the major flows of savings into growth-promoting investment are effected. During the past 14 years about two-thirds of the new productive investment, through which more than a half-million new nongovernmental jobs per year were created, resulted from corporate reinvested income. Current estimates are that in the period ahead we need to create new jobs at double that rate to avoid serious unemployment. It cannot be done by profit squeezing. It can only be done through profit enlargement.

Over 50 percent of corporate earnings—some three times the prewar rates—is now taken in taxes. Not only is this income taxed as earned, but it is taxed again when transferred as dividends to owners—the clearest case of double taxation to which no other form of enterprise is subjected. Dividends, which are all that owners get from their corporations, are a small part—less than 4 percent—of the Nation's income. Yet on this slim compensation to those who have risked their savings to provide the tools of production depends the functioning of our economy. It is shocking that they should be subjected to the heaviest taxation, for if profits and dividends should be abolished through taxation or otherwise our free economy would speedily disintegrate.

Double taxation of corporate income is an added efficiency-penalizing, incentive-undermining device and as such has no proper place in the tax system of a country dependent upon incentive for maintenance and growth of production and employment. When the rates were low this did not matter so much; now that the rates have risen to what may well be regarded as confiscatory levels it matters very much.

Inflation has rendered the taxation of corporate income harmful to economic growth in a special way. Under the code the depreciation allowable in calculating taxable income must be based on prices, often paid years ago, for the depricable items. But such amounts cannot at today's inflated prices possibly have buying power equal to that originally spent and thus be sufficient to enable the enterprise to just "stay even." The deficiency, which should realistically be regarded as depreciation, is thus treated as income and on that pretense over half of it taxed away. This is more than inimical to growth; it puts a tax on just keeping even. It directly handicaps all corporations having depreciable property and especially those heavily invested in long-life facilities. It indirectly handicaps all others who do business with them as their capabilites as customer or supplier are undermined.

Years ago when this problem was first discussed—as some here may remember—businessmen disagreed on whether there really was a widespread and important problem. There is no disagreement on that now. The big disagreement now is on what is the best way to solve the problem.

The President has proposed that some part of expenditures for productive facilities in excess of specified depreciation amounts be credited against income tax otherwise computed. This would be a welcome alleviation of the destructive tax burden on the vital corporate save-invest process. I must, however, also regard it as seeking to counterbalance while deferring correction of the depreciation situation. And yet that situation mightily needs correcting. I have fears that disagreement on how to do what all agree should be done may result in nothing being done. In the long parade of witnesses on the matter there are many who say the other fellow's solution is not the right one but proffer none of their own. There are others who agree that the other fellow's solution isn't the answer and then become another other fellow by proffering their own scheme—and so it goes. I would say that it is high time that businessmen who have agreed on the principle get together on the method, ever remembering that the most important thing is to take a step forward from where we are; the method by which the step is taken is secondary.

FISCAL TRENDS

From the viewpoint of safeguarding our essential economic incentives the current trend of fiscal proposals is frightening. On the expenditure side the proposals are for more and more spending and giving; prudence is not too visible. And yet we had better be prudent.

On the taxing side a crusade has been launched and its banner is "loophole." The selection of that word is some sort of semantic success if using good words to cover bad purposes can be so regarded. For if the fancy word is removed and the actual purposes examined their apparent intent in many instances is to shut off any breathing holes left in the thick blanket of taxation now smothering the vital incentives. How ironic if "loopholing" turned out to be "strangleholding."

I am not granted the time, nor is this the proper occasion, to appraise the several tax proposals in detail. My purpose here, moreover, is to proffer an orienting viewpoint on what is happening in and to our country and its incentives, rather than to condemn or commend specific measures. But I cannot forgo one or two comments.

Take that so-called loophole, the dividend exclusion and tax credit of the 1954 Internal Revenue Code. It wasn't put there because taxing authorities loved dividend receivers and wanted to show them favoritism. It was instead a meager step toward a correction of the serious and even dangerous injustice of confiscatory double taxation of dividends I have already noted. To repeal the provision is not to close a tax loophole; it is to resume full tax strangulation where it can do the most damage to the Nation's growth prospects. The pity of it is that only about one-half of 1 percent of Federal revenues is involved. Why risk our growth for that? Why not a little economizing in Federal expenditures instead?

Take proposed dollar limitations for tax purposes on "expenses for travel, entertainment and business gifts": This rests on the curious assumption that owners and managers do not know how much of what kind of expenses their employes ought to incur in order to end up with the biggest profits for the Government to tax; or else it is a first step in disallowing for tax purposes even more business expenses competitively incurred and thus covertly tax as income costs that clearly are not income. May I remind you of another camel—the one with his nose in the tent?

Take taxation of income earned abroad by foreign corporations owned in part or in full by domestic corporations: Aside from the intolerable administrative burden it would bring, it would introduce a startling new principle—that income is taxable before it is received and whether or not it is ever received. Foreign trade is a two-way street and this measure would certainly invite retaliation by foreign taxing authorities, thus hampering rather than furthering international trade with adverse effects on domestic business and the delicate balance-of-payments situation. Its advocates suggest that its imposition would increase Federal taxes by less than one-third of 1 percent. My own opinion is that its repercussions would enduringly lower them by many times that amount.

Take restricted stock option incentive plans and noisy agitation to repeal the provisions under which they exist: I think this a situation where any antagonism must arise out of a misunderstanding which full study would surely correct. In a country where taxation is smothering incentives, alternative incentives should be sought not forbidden. Stock option incentive plans are unique in adding nothing to production costs to be covered by prices consumers pay. Nor do they take anything away from a corporation. Instead they bring in new capital and stimulate its employees' performance. They tend to expand, but never contract, the tax revenue base by stimulating more efficient utilization of manpower, materials and equipment, and hence in providing greater profits, greater dividends and possibly capital gains to be taxed. Their presence does not injure other stockholders in any way except on the incredible assumption that any and all improvement in performance achieved would have been equally achieved in their absence. Repealing the provisions under which optionees' incentive gains, if any, are taxed at capital gains rather than at surtax rates would not increase tax revenues. It would diminish them. The plans were created by and exist under a provision of the tax law. Without it they would wither away and leave little or nothing to be taxed.

I come now to the end of these remarks. I have sought, I fear, to cover too much ground in too little time. I have not stopped to argue or hammer home the viewpoints I have proffered. But that may not really be too important because convictions to be meaningful in attitudes and actions must mostly be self-achieved. So I will just carry away the hope that my words may have helped to turn your minds from time to time to the vanishing incentives, and that your contemplations will result in such self-achieved convictions. And if these should result in actions—well, that would be the most for which I could wish.

Report on the 1st Session of the 87th Congress

EXTENSION OF REMARKS
OF
HON. J. EDWARD ROUSH
OF INDIANA
IN THE HOUSE OF REPRESENTATIVES
Wednesday, September 27, 1961

Mr. ROUSH. Mr. Speaker, with the 1st session of the 87th Congress now a matter of history and record, I would like to review the activities of the session and the relation of these actions to my district and the State of Indiana.

For more than 5 months of this legislative year, the Fifth Congressional District of Indiana was without representation in this body. It was a most unfortunate circumstance for the 460,000 residents of my district to be without a voice in this national assembly. The reason for this vacancy was the investigation into the election by order of the House of Representatives.

The manner of the investigation into our extremely close election again proved the integrity of the House and its committees. The result of the complete recount of the ballots proved that errors in tabulation and reporting could have denied the will of the majority of the voters in the district. A simple recount and tabulation of the ballots counted on election night by local precinct election officials gave me a majority of the votes. A count based on the application of uniform acceptance standards throughout the district also showed a majority in my favor.

Members of both political parties acclaimed the fairness and objectivity of the investigation. In their separate views to the unanimous committee report of my election, the Republican Members expressed their opinion that the contested election matter "was directed in a thorough and fair manner." The defeated contestant himself complimented the committee which handled the matter for "conducting the recount in an equitable manner."

Upon being seated, I introduced legislation which would provide a system of recount for congressional elections. My plan would allow States to pursue their own election contest procedures before certifying the results of the election to the Clerk of the House. This would speed the contest procedures and reduce the possibility of a district being without representation again for this reason. I am hopeful that the committee will consider the bill early in the next session.

Statistics of the session indicate that it was a hard-working, productive year. The length of the session was the longest in peacetime in decades. The number of measures introduced and acted upon were at near-record highs.

Most important to residents of the Fifth District of Indiana was congressional approval of the flood control construction in our district. After years of planning, construction will finally begin on the three-reservoir flood control system along the Wabash River. Congress appropriated $700,000 to begin construction of the Salamonie Reservoir in Wabash County. The Mississinewa Reservoir will be begun with a $500,000 appropriation. The Huntington Reservoir will undergo final planning and design; $53,000 was appropriated for this purpose.

President Kennedy's strong support for flood control and water resources development was a great factor in our legislative work this year. It gives renewed promise for rapid completion of these needed projects. His revised public works program included the three projects after the final Eisenhower recommendations had neglected the important Mississinewa project.

Thus, we begin the flood control system which is so vitally needed by the people of Peru, Wabash, and all those along the Wabash River in Indiana. With the construction of these reservoirs come additional benefits to the residents of the area. Plans for the development of the reservoirs as recreation and conservation areas are progressing in the Indiana Department of Conservation. The construction period will provide jobs for hundreds over the next several years. The ready supply of water will help alleviate desperate needs experienced by Marion, Huntington, and other area cities in recent years. The good of these projects is just beginning to unfold as construction starts.

The Federal judiciary of the State was increased with the addition by this Congress of one additional judge for each the northern and southern districts of Indiana and the addition of a judge to the Seventh Circuit Court of Appeals. This increase in the staff of the courts will aid the cause of justice by relieving the backlog of cases in each court and speed judicial action.

Indiana's benefits from legislation which bolstered the general economy are measurable. More than 36,000 unemployed persons in the State took advantage of the extension of unemployment compensation immediately after it was effective. This alone pumped more than a million dollars a week into the Indiana economy. Rapid return of Federal income tax payments, payment of veterans' insurance annuities and the speedup of military spending aided Indiana in its recovery from the recession of 1960. Economic statistics in the State are encouraging and the general economic outlook for Indiana is favorable.

Indiana and Fifth District farmers have been enthusiastic in their reaction to the feed grains program. This program, initiated by the 87th Congress, has been largely responsible for the increase in total national farm income. It will, for the first time in years, cut the total grain surplus in storage. By doing so, it can cut the total cost of the farm program.

As a former prosecuting attorney, I know the need for the Attorney General's crime program. The benefits to be derived from the anti-crime legislation he was given by the Congress will accrue to all. It will be of assistance to every law-enforcement agency in the Nation and will go a long way toward final success in the fight against organized crime.

The social security amendments of this session of Congress have improved the program in light of today's needs. These new benefits include: optional retirement for men at 62 with proportionately reduced benefits; a raise in benefits to widows from 75 percent of that to which the primary insured was entitled to 82½ percent of those benefits; raised earnings ceiling for retired persons; and broadened insured status requirements.

The Housing Act of 1961 was the most comprehensive housing bill passed by Congress in years. The provisions of this bill will make it easier for families, especially moderate income families, to own their own home or to make improvements in their present dwellings. The program of urban renewal and development in this act is of great encouragement to towns and cities in our district which are planning needed local projects. The programs for housing for the elderly citizens, for farm families and for colleges will be of great use in our district.

Several communities in our district are planning airport improvements. The extension of airport programs by this Congress will enable these cities to provide more modern, safer airport facilities. Marion is completing work on a runway built under this program at the present time. Anderson, Huntington, and Wabash have contacted my office concerning their own airport development plans.

Many workers in the district have been affected by the change in the Federal wage and hour law. This Congress broadened the coverage of the law to include some 3.6 million more workers nationally and raised the minimum wage, in steps, to $1.25 per hour.

The national defense posture was a subject of much concern in this past session of Congress. Acting on the recommendations of the President, Congress quickly approved increased strength both in conventional and modern armaments, and in our fighting forces. At the same time a concerted drive by the Congress and the administration has resulted in giving the Nation more for its defense dollar. The badly mismanaged M–14 rifle procurement has been corrected and this improved weapon is being delivered on schedule to our fighting men around the world. The shocking labor problems at key missile bases which existed in past years has been corrected. The administration's efforts have reduced the time lost in labor disputes from an average of 21,500 man-days per quarter in 1960 to 768 man-days in the second quarter of 1961.

The Small Business Administration program was expanded by this Congress. Activities of this agency have increased rapidly this year. The SBA provides valuable assistance to small independent businessmen and to communities. Conferences are being arranged in the district to better acquaint businessmen with their activities.

My assignment on the House Committee on Science and Astronautics has enabled me to observe the Nation's space efforts at first hand. The successes of our program this year, including the two successful suborbital manned launchings give preview to the developments of our space technology which are to come. With the impetus of increased emphasis for the moon program and other space efforts, our progress should be swift and the evidence of our progress increasingly more dramatic.

The committee activity is but one area in which I have taken special interest.

I introduced a bill to provide for the establishment of an Indiana Dunes National Park. My plan would enable the park and the Indiana Deep Water Port to both be established. These two projects complement each other. The port is of great economic significance to the State and I am happy to see the leadership in this project being provided by Gov. Matt Welsh. The park is of great conservation and recreation value. We can and should have them both in Indiana. To this end I have directed my efforts.

The construction of the Mississinewa Reservoir will necessitate the removal of the grave of the historic Indian figure, Frances Slocum. The present Slocum Cemetery will be inundated by waters from the reservoir. Attempts to have her body reinterred in Pennsylvania have been thwarted, I believe, by the alert expression of intense local interest in this historic monument. Plans are being made to secure a suitable site for her grave near the present location and I have introduced legislation to have it recognized as a national historic memorial.

In this age of nuclear terror, civil defense is valuable insurance for every family and a strong deterrent force for the Nation. To encourage the needed local efforts in our area, I called a district civil defense conference. Response to the conference was enthusiastic. I hope the results of the ideas expressed by civil defense experts to some 350 community leaders from the district will soon be evident in projects in the various communities.

The Federal Government has a program of disposing of its surplus properties to certain governmental and civic groups. I introduced a bill which would allow youth services and welfare organizations, the YMCA, Boys' Clubs, and the like to take advantage of this program.

These are the activities and products of the 1st session of the 87th Congress which stand as highlights to me. It has been an active, productive session. I look forward to the second session next year to continue the work begun this year of constructive, responsible legislation which will benefit the Nation, our State of Indiana, and my district.

The British Arts Council

EXTENSION OF REMARKS
OF
HON. JACOB K. JAVITS
OF NEW YORK
IN THE SENATE OF THE UNITED STATES
Wednesday, September 27, 1961

Mr. JAVITS. Mr. President, the functioning arts councils which currently exist in the United Kingdom and in Canada have proved strikingly successful over the years in encouraging and stimulating the performing and visual arts. They provide a pattern on whose lines my proposal for a U.S. Arts Foundation is based. Some idea of the accomplishments of the British and Canadian councils during the year is available in the report which appeared in the Musical Courier for September 1961.

The direct and favorable effect on oversea countries by American artists who have gone abroad under our cultural exchange programs is clearly brought home by Actor Hal Holbrook in an interview which appeared in the current issue of Equity magazine.

I ask unanimous consent that there be printed in the Appendix of the RECORD, the article by Noel Goodwin entitled "The Picture of Britain," the report entitled "Brief Look at Canada Council," in the Musical Courier, and the interview in Equity.

There being no objection, the article and report were ordered to be printed in the RECORD, as follows:

THE PICTURE IN BRITAIN
(By Noel Goodwin)

For the 12 months beginning last April the British Government has allotted £1,675,000 of national funds for the encouragement of the arts in Great Britain. The sum represents about 8 pence per head of population in the country and compares with about £30 per head for the cost of defense and the armed forces. Although it is the highest amount ever granted as a subsidy to the arts, it is still one of the lowest of its kind in Europe, even counting the relatively smaller countries of Switzerland, Sweden, Denmark, Belgium, and Holland.

A grant of twice this amount would enable national enterprises in music, opera, ballet, and the theater to operate on a basis of reasonable security. Without any grant at all there would now be no opera, no Royal Ballet, no Old Vic, and not more than two symphony orchestras in the country. Happily, the principle of Government patronage is now firmly, if still rather grudgingly, established as a part of national policy. Even so, it has never been properly planned as a whole but has just grown up from year to year since the war.

In the winter of 1939–40 the Pilgrim Trust gave £25,000 to set up what was then called the Committee for the Encouragement of Music and the Arts (CEMA). Government support was confined originally to the loan of a secretary from the Ministry of Education. Soon afterward it was persuaded to vote £25,000 to match the Pilgrim grant, and 2 years later it adopted the infant CEMA entirely. Postwar reorganization changed CEMA in 1946 into a semiofficial but independent body called the Arts Council of Great Britain, with a Government grant of £350,000 for the year.

The arts council was charged with the duty of developing a greater knowledge, understanding, and practice of the fine arts exclusively, and in particular to increase the accessibility of the fine arts to the public throughout the realm, as well as to improve standards of execution. It remains today as the instrument by which Government funds for the arts are distributed, except for a few special direct grants to museums and art galleries. Otherwise the Government does not normally specify where and how the money shall be spent, such decisions being the council's responsibility.

A chairman and 15 Council members are appointed by the Chancellor of the Exchequer, each serving for not more than 5 years. They are assisted by four advisory panels of experts representing music, drama, the visual arts, and poetry. All Council members and panel members are unpaid. The small paid staff is confined to a secretary general and his assistant, with separate directors for music, art, and drama, and regional directors for Scotland and Wales, plus the office staff. Total operating costs for the Council, including salaries, expenses, and local taxes, amount to just under £100,000 a year.

Allocation of government funds for the year is made after each enterprise claiming a grant has submitted estimates of income and expenditure for its planned projects. All enterprises must be "nonprofitmaking," and a sum is allotted in proportion to the costs and sphere of work as a grant-in-aid toward the expected operating deficit. They range from the £473,000 given to the Covent Garden Opera and Royal Ballet together in 1959–60 to £50 pocket money for some small local music society. In general music in its various forms receives rather more than three-quarters of the total annual government grant.

In addition to grants from the central government through the Arts Council some enterprises such as provincial orchestras and theaters are supported by grants from the local authorities (city, borough, and district councils) in the areas they serve. Under the Local Government Act, 1948, these Councils are empowered (but not compelled) to spend the product of up to sixpence in the pound of local taxes on the arts. I do not think any spend the full amount. Most still spend nothing at all in this way, and the total throughout the country amounts to only about £250,000 a year.

The chief merit of the British scheme for government assistance to the arts is that it exists at all. In spite of the rapid development of a genuine interest in the arts among all classes of people, such activity still is viewed with considerable suspicion. The British artistic conscience is the victim of a curious and long-standing hyprocrisy. It feels that art in itself is a doubtful diversion but becomes respectable when put to the service of worthy causes such as charity.

By making the Arts Council independent of political control, however, and charitable in the sense that those controlling it are unpaid, Britain has avoided the worst excesses of bureaucratic organization. Moreover, the enterprises assisted by the council are also required to be wholly self-governing in their affairs. They may accept other grants as well, as some now do from slowly developing industrial patronage and the conscience money of commercial television companies, but they must still maintain their independence and cultural purpose in artistic policy to qualify for public funds.

A scheme has lately been devised to assist Covent Garden in forward planning for opera by means of a guaranteed proportional subsidy for 3 years (actually 43 percent of its agreed annual expenditure). Other organizations still never know from one year to the next how much grant will be forthcoming, if any at all. The policy is apt to encourage budgeting for a higher-than-necessary deficit, in the hope that whatever lesser sum is received will be enough to see the project through.

In a way a premium is put on failure since the Arts Council may well choose to reduce grants to an organization which is just managing to get by in order to save some less successful claimant from final collapse. In addition once the council has made its decision, there is no means of calling it in question except by public outcry I know of only one occasion when public opinion was sufficiently stirred to compel the council to change its mind, and that was in the crisis affecting the future of the Sadler's Wells Opera 3 years ago.

Those concerned for the future development of the arts in Britain believe that the time is overdue for the government, having accepted the principle of public patronage, to resolve its compromise with policy. The margin between persistent anxiety and a reasonable basis for security is relatively small. It could be met by the national taxes collected from a single millionaire in the top income bracket, or more than covered if local authority grants were enforced at the rate of no more than 1 penny in the pound throughout the country.

BRIEF LOOK AT CANADA COUNCIL

The Canadian Government in March 1957, passed legislation providing for a Canada Council for the Encouragement of the Arts, Humanities, and Social Sciences. The council was created 1 month later.

At the same time the government handed to the newly formed council $100 million (the combined inheritance taxes collected

from the estates of two Canadian multimillionaires who had died the previous year).

The money was divided into two funds: One called the University Capital Grants Fund to provide money for universities planning to construct buildings for the arts, humanities, and social sciences; the other called the Endowment Fund, used to "foster and promote the study and enjoyment of, and the production of works in arts, humanities, and social sciences."

The latter, explains the council, is a perpetual fund, and from it only the annual income earned by the capital sum may be spent.

The council—composed of 21 members from private life—disburses an estimated $3 million per year from the income earned by the perpetual fund. Scholarships and fellowships are distributed with about half of the available funds. Much of the remainder goes into grants for orchestras, theaters, operas, ballets, choirs, musical festivals, and art galleries. Grants during 1959–60, for instance, went to the Halifax Symphony for a tour of Nefoundland, to the Canadian League of Composers for an international conference, to the Montreal, Stratford, and Vancouver Festivals, and to the Canadian Opera Co. for its season and two tours—these among a long list of others.

In its recent annual report the Canada Council stated: "The council is encouraged to believe that its program is of value to the Canadian people; furthermore, the relations which the council has had with the public would appear to suggest that faith in the concept of the council has been strengthened."

AN INTERVIEW WITH HAL HOLBROOK

(By Dick Moore)

When Hal Holbrook gives his celebrated solo performance of "Mark Twain Tonight" a note on the program precedes a list of 32 selections. The note reads: "While Mr. Twain's selections will come from the list below, we have been unable to pin him down as to which of them he will do. He claims this would cripple his inspiration. However, he has generously conceded to a printed program for the benefit of those who are in distress and wish to fan themselves." The program further speculates that of intermissions there will be "one or two, probably," and dismisses the dearth of music by explaining that "a trombone player was engaged, but is unreliable and should not be expected." Then, just in case the audience is under the impression that Mr. Holbrook is permitting himself to be pinned down after all, the pamphlet goes on to caution that it is not really official and that the program is subject to change.

One might assume from the foregoing that Hal Holbrook is loathe to commit himself. Not true. For this 36-year-old actor, monologist, writer, ambassador has, on an exhaustive tour of Europe under the auspices of the American State Department, committed himself deeply to the task of making Americans understood, and to an attempt at understanding people in other countries, too.

Hal Holbrook's living incarnation of Mark Twain was conceived in 1953 and, after a gestation period of 2 years, was delivered in 1955 without assistance in the Greenwich Village night club, Upstairs at the Duplex, where it remained and grew for 7 months. Off-Broadway, concert tours, record albums and a 22-week Broadway sellout followed. Among Mr. Holbrook's engagements was a guest appearance at an annual birthday party given for President Eisenhower by the White House Correspondents Association.

Prior to this impressive chain of events there had been 7 years of stock; a 2-person repertory company (organized with his wife) which gave 800 performances of Shakespeare for students, and a list of television credits (including a running part on a soap opera) which is respectable but not imposing.

Soon to be seen on Broadway in "Do You Know the Milky Way?" Hal Holbrook still regards his tour for the State Department as the most personally satisfying engagement of his career.

Question. It's been reported that you're abandoning your role as Mark Twain. Is that true?

Answer. I don't intend to give it up until I'm dead. What I would like to do is a play or two occasionally and then go back to Twain. I think the danger in doing a character like Twain is when you run it for a long time you begin to lose your spontaneity.

Question. Will you visit other parts of the world to represent the State Department?

Answer. Yes, I think so. I've been asked to represent them in several parts of the world and I've also received some very good offers to appear commercially all around the world. And what I would like to do in 2 years if I can be lucky enough to get what I want in the interim, is to go away for 10 months with my wife and two children and make a slow journey completely around the world, which is what Twain did, you see. I would like to recreate his trip, but add a lot more countries to it.

Question. On your recent tour for the State Department you were completely sold out in most cases. Had your European audiences heard of your success in the United States, and what kind of preparation was made for you?

Answer. I am a little unsure how to answer that. My impression is that they really hadn't heard of me in most cases. For instance, in Belgrade, Yugoslavia, and even Oslo, they hadn't heard of me. But they knew Mark Twain extremely well and that's what I think drew them into the theater. However, what seemed remarkable to me was that just a little advance publicity in the form of newspaper releases, telling the public who I was and that I had been successful with this Mark Twain show, drew a whole houseful of people. They had to turn them away in many cases. That indicates two things, I think: a tremendous interest abroad in Mark Twain—they read him fully as much as we do—and that those people will go to see a live American actor on the stage the way children go to the zoo to see strange animals. An American actor, especially in a straight nonmusical play, is a strange freakish animal to most Europeans. They haven't seen many of us. In some of the European cities I visited I was the first American actor in a nonmusical production to be sent abroad by our country in 15 years. Even in a city like Vienna.

Question. You make a distinction between actors appearing in musical and nonmusical plays. Do you feel that a straight play represents our culture better? Does it offer better communication?

Answer. Well, the reason I make this distinction is that we have sent "Porgy and Bess" and "My Fair Lady" on a jaunt to Russia and we have sent many musicians over there. But until recently, we sent practically no straight theater. As for the matter of communication, I feel very strongly, especially after having taken this trip, that we underestimate the power which straight plays performed by good American casts can have in the matter of communication with those people abroad. It is not only our Government that overlooks this but our theater people, too.

Question. Not long ago you were quoted as saying that Twain's "satirical roasting of American foibles was taken in good spirits by the audiences." Is this "satirical roasting" used in Iron Curtain countries to discredit the American society, or can audiences accept it for what it is—legitimate self-criticism?

Answer. Do you know what I think? I think that people are far more similar than most of us realize. I had never been over there before, to Europe, except for one brief little jaunt. And, naturally, when I went behind the Iron Curtain I thought the first thing somebody would do would be to rush out onto the airfield, corral me, and try to make me into a Communist. Well, nobody tried to do that. As a matter of fact, they talked very little about politics. But when we criticize ourselves—not just to show what great fellows we are or how broadminded we are—but when we honestly criticize ourselves, especially with humor, I think it's the most disarming approach America can take with other people.

Question. You think this is understood on all levels?

Answer. Absolutely. Those people over there are just the same as we are. They're people, they grow up, they go to college, they go out and buy groceries, they have children, their families sit around and talk politics, theater, one thing or another. They are not dumb people and just because somebody tells them something it doesn't always mean they're always going to believe it. If they go to the theater to see an American production it means they're interested in seeing an American production. That's one step already. They have an inquisitiveness; they go there to find out something, and perhaps they go there to find out something they haven't quite been told yet. It's a very hard thing to explain to anybody, but people who go to the theater, they're not dumb. Twain did criticize himself, but on a universal plane. All the time that I was playing Twain, especially in the Iron Curtain countries, my whole motivation, the whole thought in my head was, "I wonder if you're gonna get the real point here. I'm not just talking about myself and my country. I'm talking about the human race of which you are a member." And I think people got that very, very much. Mark Twain is tremendously popular abroad. Well, why? He couldn't be popular abroad just because he wrote pretty stories about the Mississippi River. He's popular because he's a universal spokesman for the human race. And the human race is the same.

Question. Did most of the people who came to see you speak English?

Answer. Most of them, yes, but not all. It's so disheartening to try to convince people in this country—startlingly enough, people in the theater—that cultural exchange is worthwhile. They have the damnedest notions about it. They know they could do it better and that it isn't being done right. Really, they have the most narrowminded vision toward the theater's role in cultural exchange, just so narrowminded that it's very disheartening to talk to them.

Question. Could you be more specific?

Answer. Well, take the press when I got home. I could sense from the reporters a real skepticism. "They really understood you, huh?" This is the first question. Americans cannot quite conceive of the possibility that other nations learn another language and learn it well. Of course people over there speak English, that is, educated people, and these are the ones who would naturally go to the theater. I talked with people over there who spoke English beautifully—not so often behind the Iron Curtain, but in countries like Norway, Finland, Germany, and Austria and Holland, my gosh, they spoke wonderful English. And my show isn't just in English, it's in the American idiom. Sure, they missed some things, but you know I got the biggest response I've ever had in Oslo, Norway. Laughs.

Question. More so than in New York?

Answer. New York, hell. Biggest response I've ever had anywhere.

Question. Then they got some things the Americans didn't get?

Answer. Yes, they did. They got many things American audiences didn't get. I don't like to generalize and this was only one case, in Oslo. In Warsaw I got no response at all, but at the end of the performance they gave me an ovation which was the biggest ovation I ever had, so how do you figure it? They must have gotten something out of the show. I don't know what it was, it didn't seem to me like they were getting the jokes. But they got something. I thought they didn't understand a word; maybe they didn't.

Question. Were you able to talk with your audiences after the shows were over?

Answer. No, except those who came backstage or arranged parties. But I did do one thing which I think artists going abroad should do, and which the Government should make it possible for them to do when they are representing us in the cultural exchange program: I took my time. We have to make money in this country and since they pay about one-fourth as much abroad for a show as they would here, in order to even clear expenses over there it seems they have to schedule at least one show a day. Well, nobody can do a good job doing one show a day, traveling from one town to another. One of the benefits of the cultural exchange program is that there's a certain amount of financial support from the Government which enables you to take care of your obligations at home while you're away. But these tours should be constructed so that the artists involved can spend some time going to universities and talking to the students, or going to any kind of group to meet people, to talk. You don't know what a cow looks like till you see the cow, inspect his fur and everything. You have to know the details and, to me the most startling revelation of the whole trip was that those people are precisely the kind of people I know. They're me. I'm them.

Question. Did they ask you many questions?

Answer. Well, at first they asked a lot about Mark Twain, and I was anxious to get over that and talk about America. The one idea that seemed to come up more than any was that American youths are beatniks in leather jackets—knife-carrying kids. They think this is about the norm. Long live Hollywood. And they almost always refer to the "rich people" and the "poor people" in America. Even in places like Finland, which is a great friend of ours, the newspapers refer to our rich people and poor people as though there's a tremendous distinction. Well, this distinction has gone somewhat out of fashion in the past 60 years, let's face it, and they don't know it overseas.

Question. What fosters these misconceptions?

Answer. If you want to know that, then ask yourself, "What do I know about them? What do I think about them?" We are several thousand miles away from those people. What do we really know about them? We know a little bit about what we read in the newspapers, mostly the headlines on an article. But, what do we know about them as people? We have tremendous suspicion about them, suspicion which is heightened by the very sensitive international situation. But this suspicion is an outgrowth of ignorance. They are as ignorant of us as we are of them. The minute you learn something about a thing you're afraid of you're not as afraid of it again. You never will be. Well, it's the same between people. The kids at the universities with the marvelous faces, tremendously eager, bright, leaning forward with faces sticking out, you know, looking right at you. Interested, every one of them. Packed classrooms. Asking questions, wanting to know and, underneath it all, responding to a kind of underplayed humor more than anything else. I didn't give any speeches, I just kind of adlibbed, you know. There was this one incident at the University of Zagreb, when I was talking to the kids there.

They were great, their faces. I've talked to university kids in this country, too. Students are wonderful. Their minds are still open. You can still blow a little fresh air through the hole in their heads; they haven't corked it up yet, so there are possibilities, see? And these kids were asking questions. And there was this one kid—I found out afterward they were going to keep him out of the room because he was strongly communistic—he was standing along the wall and he finally interrupted me and he said: "Mr. Holbrook, what do the youths in America break windows with these days?" That kind of shocked everybody into silence. I said: "Bricks; what do you use?" And they all laughed. I said, "I've found bricks are as good as anything else to break windows with. I've done it with a baseball sometimes when I was aiming at the catcher and missed, but I found bricks are pretty good. Don't you find them pretty good, too?" Well, he looked sheepish and didn't say anything. The class was enjoying it. We were all enjoying it in good humor. I wasn't trying to make a speech. So then I went into a rather lengthy explanation about what it's like living in New York, what makes people break windows with bricks. I tried to make them conceive of New York City, conceive of a place where there are so many millions of people packed together in one small place, on top of each other where there's no room, no room for emotional outlets. Why do people break windows? No place to play; kids, you know, nothing to do. We rip down a lot of old homes, real crummy slums, to try to clean up the city. We're all the time cleaning up the city, we're building new houses, developments, etc., trying to make better conditions. And some kid whose family can't get into the new housing development—or maybe his crummy tenement building was torn down to make way for this new place and he's had to move around the block and make new friends and pull up his roots—he goes by this housing development and they've just put in those nice clean windows in the new building and, boy oh boy, he picks up a brick and, boy, he sees how many he can bust. That's what I told them.

Question. How did they take to that?

Answer. They took to that fine. Then this boy interrupted me again and he said, "Why don't they move to the suburbs"? And I thought, my God, he's been reading the "Man in the Gray Flannel Suit," and I laughed and I said, "We would love to get them to move to the suburbs. We would love it," I said. "But, you know, they won't go to the suburbs. People come to America in migratory waves. Every several decades we have a wave. Right now we have a wave of Puerto Ricans. A hundred years ago or a hundred and fifty we had a wave of Irish people, or German people. Right now we are in the path of a great wave of Puerto Rican people coming to live in our country. Where do they go? They go to New York City. We would love them to leave New York City and go outside. You know, we have across the Hudson River 3,000 miles of land that's practically unexplored. There's plenty of room for everybody." Some girl in the third or fourth row started to grin and nod her head. I said, "But you know of course it is very dangerous to go out there because you never want to get out in Wahoo, Nebr., or Seguin, Tex., or a place like that because you can't really call yourself safe. We still have Indian wars. There's a very vicious one going on out there now, but we don't tell about that sort of thing outside of our country because we don't want a bad name, but we're really fighting these wars very hard. And our beatniks, why, even in a civilized city like Wahoo, Nebr., why you can't walk down the street at 9:30 at night because you pass a bush and some fella or some young kid will rush out with a big knife and slit you from ear to ear." And then those students started to look at me. They didn't know whether to take this seriously or not. Some of them started to smile and others looked terribly serious and concerned. I said, "Oh, it's very dangerous. You don't want to cross the Hudson River." I said, "My kid is 5 years old. I've given him for Christmas what he wants, which is a switchblade knife with a pearl handle on it. He's been using a wooden handle one now ever since he was 3 years old and he's got six notches in it. I think that's pretty damn good for a kid his age, don't you?" Then they laughed. They just burst out laughing. They're not dumb. They're no dumber than we are.

Question. Why, in Yugoslavia, would they want to exclude a Communist student from your lecture?

Answer. Well, it's a very simple and hospitable thing to do, and those people are very thoughtful. The people in Europe, I think, are generally far more thoughtful than we are, although I do think we would do the same thing in this country in a situation like that. This particular boy who started to heckle me had caused a lot of trouble before because he heckled visitors a great deal and they asked the cultural attaché at our Embassy in Yugoslavia whether he thought they ought to keep him out. Our man said, "No, don't. Mr. Holbrook would want to have him there. He wants that. So, don't tell him anything about it." And it all worked out beautifully. I was very impressed with the university. The head of the American literature department there is a wonderful man; the whole staff of the literature department was there. Poor, poor, crummy, crummy building. Awful, falling down building. Unbelievable. But they were packed in there and they were learning. They were really boiling with interest and energy, and when you arrive—hospitable. Hell, they invite you in to have a little slivovic—this white gasoline they drink—and some of this coffee that would stand a cow up on his back feet, and they get you all in condition before they put you out in the room. They're very hospitable. They give you a lovely introduction. After it was over I stayed and talked. I have a nice picture you might want to use, incidentally, with the kids around me. Another point I wanted to make. Oh, yes. This kid, this young heckler, he said: "Mr. Holbrook, you are an authority on Mark Twain. What do you think Mark Twain was criticizing in the book of the Connecticut Yankee? England or America?" And I could see what was on the other side of his brain with that particular question. I thought a minute, and I said, "That's a wonderful question. I don't think Mark Twain was criticizing Great Britain any more than he was criticizing America or anywhere else, even over here, for instance. He was criticizing inhumanity to man, injustice, the subjugation of masses of people by a small group of people who took advantage of them, cruelty, meanness. He was satirizing all those things, and it seems to me that those aren't peculiar to England or America." I said, "You remember that scene where the king is out in disguise and he passes a long line of slaves all chained together going off to a kind of a work camp? Now that sort of thing has even happened over here in Europe. Hasn't it?" Nobody said anything so I said, "No, he was just satirizing what he always satirizes, which is the human race."

Question. Do our films have much influence over there and, if so, what kind?

Answer. God, we hear so much of this. I suppose the comments I'm going to make

now, and the ones other people make, are just water off a duck's back. They don't seem to do a damn bit of good because everybody is so damned anxious to take care of themselves and get another car and all that sort of thing, washing machines and all—but it's true. There has got to be some sacrifice if you want democracy. Because it requires it. And those movies that we send abroad are not doing a very decent job of work for us. Now, the question arises, are they supposed to do a job of work for us? Well, no, it's free enterprise. The movies are made to make money and entertain people. But American movies are shown widely in other countries, and they create an impression of America which is not fair. They are too special. They deal with people who wear lovely clothes, go to nice night clubs, have wonderful cars, live in a very pretty home. You know how it is. You look at a film about a guy who's supposed to be earning about $6,000 a year and he's living in a place that looks like his old man must be giving him an additional $20,000 a year to make expenses. It's a little unrealistic. Now, naturally, to people who don't have that, there's a certain amount of resentment. People in Europe looking at that—they envy, they envy, and once you envy you dislike, you have fear, you have suspicion. And then of course so many of our movies deal with another speciality, which is violence, mobs, people shooting each other all the time.

Question. In view of this situation, do you think that any kind of regulation by our Government in terms of what we do export in this especially critical time would be feasible or desirable?

Answer. Well, this is a very complicated question and it's not easy to say what I think, but I'll try. Basically, I am completely against regulation by the Government of the affairs of the individuals who are called citizens of the United States. But there's no simple answer. It seems to me that our Government, which is doing a good job under enormous circumstances, could do a better job in the area of culture and ideas. But in order to do that the Government has to have the urgency of the people's desire behind it, because the Government is us. And if people just don't give a damn, or if people don't inform themselves well enough about this historic war of ideas—which is and has been going on for several years now—if they don't, if we don't take this seriously enough, then we won't win it. The French people have great logic, you know, and one of their basic points of logic is that you have to give up something for everything you get.

Question. You recently testified before Congress on a number of arts bills and told of your experiences abroad. Do you have any feeling about the temper of the legislative body in terms of its willingness to recognize the importance of ideas?

Answer. Oh, yes. You know, it's amazing, life is such a revelation. Europe was a revelation to me. Going to Washington to testify before a subcommittee was a great revelation to me. I knew, of course, that all Senators didn't wear string ties and act like buffoons and all that sort of thing. I knew that all of them weren't ignorant of the finer things in life. But it came as a considerable surprise to me to discover real earnestness, real desire to know and great sympathy for the information they had asked me to give.

Question. Did you find this interest keenest among the representatives of our so-called culturally oriented regions?

Answer. No. The subcommittee before which I appeared is headed by a man named WAYNE HAYS from Ohio, from the poorest district of Ohio, the mining district. There was also Mrs. FRANCES BOLTON, who is also from Ohio, from Cleveland, a more culturally minded place. There was also JOHN MONAGAN, a Congressman from western Connecticut in the farminug district, and there was also LEONARD FARBSTEIN, from below 20th Street in New York City. Those four people represented a certain geographic spread and they were all very interested in seeing this bill get a proper chance. But in order to give it a proper chance to pass they need some facts. Now those people don't know much about the theater. God, you could put in a thimble what they know about theater. It doesn't make them ignorant; theater is not their job. They don't know—like the fuss that was raised over Helen Hayes earning $2,500 a week overseas, which she wasn't. They don't have any idea, for instance, that an actor or actress pays an agent a commission; that a person of Miss Hayes' stature, for instance, obviously must have a secretary to handle a great deal of mail; that she loses a lot of money on a trip like that; that some actors like myself have offices, if they've gotten into a position where they've got a lot of heavy paperwork; they have press agents to pay; that a person who makes a good amount of money in the theater has got to hire a good accountant, and they don't come cheap; and he's also got to have a smart lawyer; and by the time all these things are added up, plus other things that I haven't mentioned, it amounts to quite a financial obligation of which these people are unaware. Naturally, to them an actor is somebody that comes out and acts. He gets paid like a plumber, takes the money home and gives it to his wife, or spends it on sophisticated orgies. But, I'm very encouraged by Congress interest in our cultural exchange. It's the people in the theater that need to be a little more intelligent about what our theater has to offer and why we should offer it to other countries.

Question. What do we have to offer?

Answer. We have the most vital, energized theater in the world. It's slightly disorganized, but maybe that's one reason it's got so much flair. But when we send plays abroad, the purpose should be to show an honest picture of the American human being and to express the hope that he has and to show what's in his mind, how he thinks. And the beauty of this is that people abroad seeing a play in which these things are expressed are going to say "My God, they're just like me." Now this is not to underestimate the tremendous ideological differences which exist. But perhaps it's not necessary to go to war and destroy everybody just because you think differently. Perhaps there's room for differences of thought. If you like each other.

Question. Did you find that there is as much utilization of self-criticism in the plays of other countries as there is here?

Answer. I wasn't there long enough to find out. We saw classics, mainly, and in another language.

Question. What about TV abroad?

Answer. Well, I never saw any TV while I was abroad. I don't remember anybody asking me to see it, either.

Question. Were they interested in our television?

Answer. Interested, yes, but always in a kind of a critical way. I mean it came up in a lot of discussions.

Question. How?

A. "TV watchers," you know, "TV viewers, married to television." You see, they take the articles that we write about ourselves without the sense of humor that those articles sometimes have. This is one reason why we must send more plays over there. We must see those people face to face. We must show them there are various sides to our nature. I remember in Helsinki, at a big press conference we had there, this newsman was asking something about TV, bringing up the usual criticism of America, all a "bunch of TV watchers." He was asking me why I didn't want to do Mark Twain on television. That had apparently come out somewhere in the Finnish press. So I told him why: briefly, because I was afraid I couldn't do it the way I wanted to do it, and also that I didn't feel that television is theater, and that Mark Twain, as I do him, belongs to the theater. I have to have an audience. You can't call two or three people, one of whom has to go to the bathroom, an audience. So I told him these various things and blasphemed television a little bit just to show him there was at least one American who didn't love it.

Told him that I took it away from my children. And this newsman back at the rear said, "Mr. Holbrook, I wish my wife could hear you now." And I said, "Oh, my God, you've got one, too." And he shook his head and said "Yes." So you see, it's universal. The only difference is we've got the money to buy more of them, that's all. The best way to defeat the rest of the world, to kill their spirit, is for us to send free television sets abroad. Oh, we'd capture them then. It's a funny thing about us. We think we're too commercial, they think we're too commercial. One of the reasons they're so convinced we're so commercial is that we're constantly telling them so. And then we're proving it by everything we do. But if we think we're too commercial, why in the hell don't we do something about it? Now, not next week. Maybe the truth is, we don't think we're too commercial. Maybe we love it.

It was 5:30 and Mr. Holbrook had to leave. "Of course, as I walked down the street after our interview I thought of many things I should have said," he recalled a few days later. "One of them is this: I think every great star in our theater should take 1 year out of the peak of his career and go abroad in an American production. It would represent a large sacrifice to him financially, but it would reward him with perhaps the most satisfying experience of his life." This thought on the record, Mr. Holbrook left again—this time it was Vancouver for a tryout of his play. For Mr. Holbrook (who, like Mark Twain, has used the incisive tools of his own imagination to carve his opportunity) was preparing to return to Broadway where, for the first time, he would star with someone else.

Railroads' Tax Problems

EXTENSION OF REMARKS

OF

HON. MELVIN PRICE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 27, 1961

Mr. PRICE. Mr. Speaker, I would like to include in the RECORD two editorials which appeared in the Journal-Gazette, Matoon, Ill., on September 21 and October 5, 1961, regarding the railroad's tax problems. They are as follows:

UNFAIR TAXATION?

There are growing numbers of news stories and special features in the press today on the poor financial condition of most of our Nation's railroads.

While the railroads may be the major subject of this discussion, the financial future of any form of transportation isn't bright when you look into the crystal ball.

The airlines and truckers are not pleased with their outlook.

One airline on the verge of bankruptcy was recently saved by merger with a larger carrier. Trucking companies are juggling their routes and changing their operations

constantly to try and stay in the black. Some railroads have proposed mergers with others to try and help their situation. They have not been very successful.

While each form of transportation has its own private problems, they all share one common problem.

Practically every State, village, and hamlet has either tried to, or is taxing transportation. Each levies taxes without regard to what its neighbors have done. It sometimes appears that there is almost competition between the States to see which can get the most in taxes out of transportation.

While all of this is going on the transportation companies are exposed more and more to financial difficulties.

The Federal Government offers no protection against local taxation and, of course, local governments can offer no protection from Federal taxation.

There is possible relief which transportation companies pray for when their backs are finally against the wall. That is Federal subsidy. Whether or not they can get it is always questionable.

It seems rather silly to have to ask the Federal Government for subsidy to offset, among other things, the payment of local tax bills. Federal money comes from the local people to start with and its intent originally was to nurse a new and promising form of transportation to life.

No one is trying to advocate that transportation be immune from taxes. There must be, however, a fair way to levy taxes on our various forms of transportation. With all of the experts in Washington such a study should be gotten underway.

Our railroad companies, trucklines, and airlines are a vital part of the security of our country. In time of emergency it is these companies who are called upon to do fantastic jobs.

They should all be made strong and kept strong, not only so that they can provide Mattoon and other cities with good and frequent service, but also for the day when they might well again be one of the most important contributing forces to our survival.

ARE THE RAILROADS UNFAIRLY TAXED?

Probably more so than any other form of transportation.

Part of the railroads' tax problems are created by the vast areas of land they use.

Due to the nature of their business they cannot share this land with other users and therefore cannot share their tax load in any way.

In 1960 the railroads were operating 220,000 miles of track. The maintenance of this right-of-way is paid for entirely by the railroad companies. This is as it should be. It would also seem perfectly fair for the railroads to pay taxes on their land just as any other corporation does, but this is not the case.

The railroads are required to pay double the taxes on their land that other corporations have to pay.

In the State of Illinois, railroad property in 1957 was valued for tax purposes at 100 percent of its value while other property throughout the State was valued at an average of less than 50 percent of its value.

In other words, most corporations owning a piece of property worth $1,000 would only have to pay taxes on 50 percent of that $1,000 valuation. Not so with the railroads. They must pay taxes on 100 percent of that valuation.

This is only a State tax and the State relies heavily on taxes received from the railroad companies. It totals over $18 million a year in Illinois alone.

And again, as always, the Federal Government steps in for its share.

For years the railroads have not been allowed to depreciate their property in a realistic manner. The Federal Government has its own ideas on the life expectancy of railroad equipment.

Actually, according to the Association of American Railroads, the railroads should be spending about $2 billion a year in modernization programs. This would come out of the railroads' reserves for depreciation.

The Internal Revenue Service has, on the other hand, been allowing only about one-third of that amount for depreciation. This causes abnormally high income tax payments for the railroads.

They cannot modernize their right-of-way and equipment and still carry this heavy tax load.

Something has to give—and what does?

The modernization program, as well as the quality and quantity of service offered.

It appears that the State and Federal Governments are treating the railroads rather unfairly.

Nuclear Aircraft

EXTENSION OF REMARKS
OF
HON. MELVIN PRICE
OF ILLINOIS
IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 27, 1961

Mr. PRICE. Mr. Speaker, the American Legion in its national convention in Denver last month again gave serious consideration to the vital issues affecting our national welfare and security. I think we should all take special heed of their deliberations. The vital contributions of its members to the defense of our Nation and the continued responsible interest they have shown in the maintenance of our national security and freedom has earned the Legion the heartfelt respect and gratitude of the Nation.

The responsible vision of the Legion was strikingly displayed in the resolution adopted at the convention on Aeronautics and Space. The American Legion reaffirmed its support of the most rapid possible development of a nuclear powered aircraft and resolved to urge the President, the Congress, and the Department of Defense to reevaluate the nuclear aircraft program and assign to it the highest priorities as an item vital to our nationl defense. At the end of this statement I would like to include the complete resolution adopted by the American Legion on the nuclear aircraft.

I have fought hard for the development of the nuclear-powered aircraft. The limitless range and endurance of a nuclear aircraft, in addition to the obvious military advantages for conventional military aircraft operations, would undoubtedly open up complete new concepts of military operations. To see what can develop with a revolutionary propulsion system we need only look at what has happened in the case of nuclear submarines. Certainly thinking people saw the advantages of nuclear propulsion for submarines for the classical operations of torpedo warfare and of course these advantages were sufficient and necessary enough to justify the development. But who foresaw the completely new concepts of military operations which came along with nuclear submarines such as the Polaris ballistic missile system? These are the types of development which in the present gravity of world events have made it possible for us to maintain our freedom. The American Legion in its resolution on the nuclear aircraft has shown the vision we must have to assure the availability of the wherewithall we must have to maintain our freedom in the future.

It was encouraging to me to see the recognition given in the American Legion resolution to the status of the development work on the nuclear aircraft when it was stopped earlier this year. This is, in my opinion, an important issue and one which has caused me special concern when the nuclear aircraft development program was stopped. We have developed the technology. We were on the homestretch of actually having a nuclear aircraft. I am sure we will someday go back to the job and complete it, but I am afraid we have thrown away our lead and momentum and that we now will not be the first to have this revolutionary system of propulsion.

Following is the complete text of American Legion's resolution on the nuclear-powered aircraft:

RESOLUTION No. 559

CONVENTIONAL AERONAUTICS AND SPACE NUCLEAR-POWERED AIRCRAFT

Whereas the gravity of world events make it imperative that the United States accelerate research and development efforts to the maximum in the field of weaponry if we are to maintain the peace and safeguard our freedom; and

Whereas it is now technologically feasible to develop the nuclear-powered aircraft which is capable of sustained flight over long periods of time without refueling; and

Whereas such aircraft will provide means for a realistic airborne alert which could be employed either strategically or tactically; and

Whereas an atomic-powered aircraft provides an invaluable mobile launching platform for ballistic missiles: Now, therefore, be it

Resolved, by the American Legion in national convention assembled in Denver, Colo., September 10–14, 1961, That it reaffirms the principles and objectives adopted by the American Legion at its 42d national convention in support of the most rapid possible development and production of a nuclear-powered aircraft and urges the President, the U.S. Congress, and the Department of Defense, to reevaluate this program and assign to it the highest priorities as further means of strengthening our national defense.

Resolution on Residual Oil Import Quotas Adopted by the New England Governors' Conference, Kennebago Lake, Maine, September 11, 1961

EXTENSION OF REMARKS
OF
HON. LEVERETT SALTONSTALL
OF MASSACHUSETTS
IN THE SENATE OF THE UNITED STATES

Wednesday, September 27, 1961

Mr. SALTONSTALL. Mr. President, we in New England feel very strongly that urgent attention should be given to the residual oil import study now

being undertaken. The New England Governors' Conference at Kennebago Lake, Maine, adopted the following resolution on September 11, 1961, and it shows the importance they attach to it.

I ask unanimous consent that the resolution be printed in the Appendix of the RECORD.

There being no objection the resolution was ordered to be printed in the RECORD, as follows:

Whereas quotas imposed on residual fuel in 1959 have brought about a shortage and substantial price increase costing the New England states over $30 million a year in added fuel costs; and

Whereas these restrictions are hampering our regional industrial growth; and

Whereas restrictions on this vital industrial and heating fuel have penalized particularly hospitals, civic institutions and public agencies; and

Whereas these restrictions on residual oil imports have damaged our international trade relations, thus adversely affecting our national security: Therefore be it

Resolved, That the New England Governors' Conference records its unequivocal opposition to the continuation of these quotas, and applauds the efforts of the New England Senators' Conference and of the Members of the New England Delegation in the House of Representatives to have these quota restrictions removed; and that, furthermore, The New England Governors' Conference calls upon the President of the United States, who will receive shortly a recommendation from the Office of Civil and Defense Mobilization, to bring about an end to the discriminatory and unfair burden that has been placed on the citizens of the New England states.

Capitol Closeup, by Martha Rountree

EXTENSION OF REMARKS
OF
HON. JOHN M. ASHBROOK
OF OHIO
IN THE HOUSE OF REPRESENTATIVES
Wednesday, September 27, 1961

Mr. ASHBROOK. Mr. Speaker, one of the most perceptive and objective reporters of the Washington scene, in my opinion, is Martha Rountree whose program, "Capitol Closeup," presents an illuminating commentary of the happenings here. Recently, she gave a particularly penetrating analysis of the current administration trade policies. I recommend it to the Members of the House:

CAPITOL CLOSEUP

(By Martha Rountree)

This is Martha Rountree in Washington. With Congress now adjourned until January, Washington is settling down to the real paperwork. But all will not be completely quiet on Capitol Hill—several investigations promise to be worthwhile.

Congress is gone, but by no means forgotten. Not all the lawmakers will be absent this fall, however. Two of the hottest congressional investigations in a long time are scheduled. The only thing that could happen to cause them not to live up to their billing would be an apathetic interest by the public. Both U.S. trade with Iron Curtain countries and the issue of the military indoctrination program, if pursued, may well answer a lot of urgent questions.

Though both of these investigations are vitally important to the security and well-being of the United States, the Red trade investigation will point up the manner in which we have been helping the Soviets and the Soviet bloc to strengthen themselves economically and militarily through trade with the West.

Congressman WALTER JUDD, Republican, of Minnesota, said recently: "On several occasions during his campaign, John Kenedy promised to revise what he considered the sterile negative concepts that governed free world trade with the Communist bloc; and he has kept his word." Continued JUDD: "Within 6 months, Mr. Kennedy has drastically altered American policies on trade with the enemy, so quietly that few realize the magnitude of his actions. He has created an entirely new atmosphere." And here we might point out that certain people over at the State Department have contended that commerce between East and West is actively promoted to ease world tensions.

JUDD says: "The President has successfully pushed through the Senate several radical amendments to the Battle Act facilitating trade with the Soviet Union and its satellite empire; the Defense Department has been persuaded to overturn an earlier ruling that precision machine tools could not be exported to the U.S.S.R.; the Treasury Department has lifted its ban on the importation of Russian crabmeat; and a legal reinterpretation by Commerce Secretary Luther Hodges has opened the door for sale of below-cost surplus farm commodities to Iron Curtain nations."

JUDD pointed out that in 2 days this summer, the Commerce Department approved 41 licenses for the sale of goods to Red bloc nations; 13 granted permission for export to the Soviet Union; 11 to Czechoslovakia; 9 to Yugoslavia; 4 to Rumania; 2 to Hungary; and 1 each to Poland and Bulgaria. Ruled nonstrategic in nature, and therefore approved for export, were all ball bearings, machine tools, power transmission systems, aircraft and automotive spare parts, electrical machinery, geophysical instruments and other industrial products and chemicals.

American firms are now being urged to import from the Red bloc, a matter of some concern to several old allies. It is known, for instance, that the Russians wish to export to this country asbestos, furs, lumber, pulp and paper, ferrous metals and alloys. Worried Canadians pointed out that the list reads almost like a rundown of Canada's main exports to the United States.

And, wound up JUDD, "but to the bright young men who surround the President there are no two ways about trade with the Communist bloc. Commented one of them recently, 'What you can't realize is the effect these policies have on world tensions. It was time for us to take the initiative and we have. You can see the results yourself.' and so you can," concluded JUDD.

Khrushchev has already written U.S. farm products into his plans for the future. He has promised his people free bread by October and said their diet would include more horse meat and American corn. We are told that Hard Red wheat shipped to the Soviets will cost the American taxpayer 62 cents a bushel at the port of shipment.

We were most interested in the statement earlier this week made by William Hamilton, Canadian Postmaster General. He predicted a steadily increasing trade threat from the Soviet Union. To meet such subsidized competition, he said, the West must call on "the initiative, imagination, and sense of responsibility of freemen making free decisions." He also said that, "Our (Canada's) policy is simply to regain control of our national economic destiny."

It was less than a year ago—December 22, 1960, as a matter of fact—that Canada's press and politicians let it be known that the U.S. dissatisfaction with the Castro regime was no reason for them to disrupt their normal economic and diplomatic relations with Cuba. (And that's a quote.) In fact we were criticized in Canada for our trade embargo as "mistaken strategy." Ottawa gave a warm welcome to the 10-man Cuban trade delegation which called on them last fall. Canada has traded freely with the Iron Curtain countries; she has kept the Red Chinese on their feet with her steady shipments of wheat. England and our other allies, like Canada, have aided the enemy through trade. Cuba has been able to get a good deal of U.S. merchandise from Canada. As a result, Canadian banks were the only ones not discriminated against when Castro took over. Canada last year said she was doing so well she no longer had to rely, as she had in the past, on foreign investments for the development of her resources—and slapped heavy tax penalties on U.S. investors. Of course, all of this was last December when politics was the climate. And the opposition party (out power) was selling nationalization. So Prime Minister John Diefenbaker's team had to attack somewhere and unfortunately it was us. But, with Diefenbaker's new vote of confidence, and with the political debris swept away, the Canadians no doubt are getting a good clean look at things again.

Let's hope that their concern over the Soviet trade threat will brush off on our other allies. A trade embargo by all the allies could go a long way toward settling the Red threat in general. In fact, if we and our allies joined together in a complete trade embargo, we might just come up with the only weapon for negotiation on a nuclear test ban. To the Soviets and their puppets, trading is a primary means through which they are attempting to obtain the machines and know-how to round out their industries, which in numerous areas are far behind Western industries and industrial know-how. A major reason they continue to lag behind in many areas, of course, is because they have devoted a large amount of their resources to such areas as the space field and missilery in a brazen effort to score a propaganda victory over the West.

Commented Senator THOMAS DODD recently: "We should employ a retaliatory trade embargo against the Communist world. If we use a real trade embargo against them," said DODD, "it would help us and the free world no end."

It is something to think about.

Resolution Adopted by the American-Bulgarian League at its 18th Annual Convention in New York City on September 2–4, 1961

EXTENSION OF REMARKS
OF
HON. JACOB K. JAVITS
OF NEW YORK
IN THE SENATE OF THE UNITED STATES
Wednesday, September 27, 1961

Mr. JAVITS. Mr. President, I would like to call your attention to a resolution adopted by the American-Bulgarian League at its 18th annual convention in New York City on September 2–4, 1961, as it concerns the Communist threat.

I ask unanimous consent that there be printed in the Appendix of the RECORD the following resolution.

There being no objection, the resolution was ordered to be printed in the RECORD, as follows:

RESOLUTION ADOPTED BY THE AMERICAN-BULGARIAN LEAGUE AT ITS 18TH ANNUAL CONVENTION IN NEW YORK CITY ON SEPTEMBER 2–4, 1961

Whereas we, Americans and Canadians of Bulgarian descent, organized in the American-Bulgarian League for U.S.A. and Canada, have always stressed before our fellow-citizens and our Governments the dangers of Soviet imperialism and Communist subversion and the futility of attempting "peaceful coexistence" with this evil;

Whereas the events of recent weeks in Berlin and Germany and the sudden unilateral resumption of nuclear tests by the Soviet Union have awakened once more among us all the realization that the oppressive imperialist policy of the Soviets not only has not changed but instead has become even more menacing and provocative, so as to threaten our own survival;

Whereas these same events have also confirmed once more that the enslaved European nations, Bulgaria among them, are as freedom loving and as hostile to their Communist regimes as ever and must be considered the stanchest and most valuable allies of our free world; and

Whereas we are bound by our Constitution and bylaws, as well as by our heritage and our conscience, to call attention to the continued plight of the heroic Bulgarian people, who are still completely deprived of all freedom and other elementary human rights: We solemnly

Resolve,

1. That we continue, individually and through our organization, our unrelenting and determined efforts to expose the true nature and menace of Marxist ideology, Communist subversion and Soviet imperialism.

2. That we reaffirm our support of an honorable and firm stand by our Governments in the face of Soviet political aggression, military threats and nuclear blackmail and that we call for a decisively stronger effort to take the initiative in the ideological battle with communism.

3. That we stress our readiness to also support a policy of greatly increasing and material preparedness and particularly the conventional military strength of our countries and to bear all sacrifices required from us for the achievement of this aim.

4. That we express our regret and serious concern with the fact that our political leadership and our press still do not emphasize enough before world public opinion, in the United Nations and at the negotiation tables everywhere, the eminent and basic fact that as long as the Communist governments do not permit the free exchange of press, radio and private communications for their citizens with all other countries in the world and as long as they impose a system of secret and closed societies—the free world is right in refusing to trust the words and the actions of those Communist governments and consequently in demanding that the existence of such governments and regimes be recognized as the true and main danger to world peace and progress.

5. That we urge our governments in all future negotiations with the Soviet powers and in the United Nations, to consider the right of self-determination for all the peoples under communism—as expressed in free elections under international supervision—to be the foremost demand and main prerequisite for any agreement concluded by the free world, the more so as this right of self-determination is a basic ingredient of all international understandings regarding Germany and Berlin and of all peace treaties concluded with Bulgaria and the other Eastern European nations after World War II.

6. And that we finally and solemnly declare before all our fellow citizens that we are truly and deeply convinced that the present and the future freedom and well-being of our continent and of all mankind will only be secured if we live up to, defend and actively propagate our heritage of freedom and human rights for all men everywhere.

So help us God.

School Aid Advocates May Aim Too High

EXTENSION OF REMARKS
OF
HON. ROBERT F. ELLSWORTH
OF KANSAS
IN THE HOUSE OF REPRESENTATIVES
Wednesday, September 27, 1961

Mr. ELLSWORTH. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following editorial from the Kansas City Star of September 21, 1961, which, in my opinion, contains a powerful message. I respectfully commend it to the reading of my colleagues:

SCHOOL AID ADVOCATES MAY AIM TOO HIGH

If nothing else, the 87th Congress has proven again that of all controversial subjects before the lawmakers, Federal aid for school construction is perhaps the most controversial. In the last decade, Congress has broken the barrier on civil rights. It has succeeded once in increasing postal rates. It has, each year, voted a foreign aid program. But legislators have not been able to handle the school issue.

In 1961, the Kennedy administration suffered perhaps its most severe legislative defeat when the House rejected its school bill. Then Congress turned around and extended two of the "retread" programs—Federal aid to impacted areas and the National Defense Education Act. Both are important. Both were extended for 2 years which, in the viewpoint of some, precludes the passage of a general school bill next year. This prediction does not impress us. It was a doubtful strategy to lump the education measures in one general bill.

At any rate, general school aid has been ruled out again by the legislators. We have believed that a reasonable and temporary program, designed to wipe out the classroom shortage that followed depression and two wars, was desirable. Both President Kennedy and President Eisenhower presented construction programs.

There are, we suppose, many reasons for failure. Through the years, politics, not the problems of education, has consistently ruled the day when school issues were debated. Some people have a sincere objection to any Federal program. Frankly, we have no desire to spread the functions of Washington, either. And we think that any school aid bill should be definitely limited and very carefully written to rule out Federal control.

But the big reason for the school failure may be this: Consistenly, advocates of such a program have asked for too much. They have made sweeping statements, offered numerous statistics, some of them doubtful, and have shown an unwillingness to compromise. This year, the issue was clouded by religion. It was also, we suggest, clouded by the generalities of all-out school aid proponents and by their usually uncompromising position.

So perhaps the most ardent advocates of a construction program must, themselves, carry part of the responsibility for failure. In 1962, a more reasonable approach might provide the needed classrooms, not just more politics.

Alert in the Sky

EXTENSION OF REMARKS
OF
HON. JAMES ROOSEVELT
OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES
Wednesday, September 27, 1961

Mr. ROOSEVELT. Mr. Speaker, a few weeks ago my wife and I had the privilege of viewing a most extraordinary motion picture, entitled "Alert in the Sky." I comment on this picture primarily because it reemphasizes once again the value of motion pictures in relating the story of America and individual Americans as human beings to the peoples of the world.

"Alert in the Sky" is not only fine entertainment and most moving in an emotional way, but it is not contrived. It has the ring of truth. It portrays the basic American instinct of real humanitarianism and a universal feeling toward mankind.

I do not know what the plans are for the picture's distribution. One can only hope that it will be seen by many Americans as well as by international audiences. Once again, it emphasizes that those who represent us in official missions dedicated to defend our freedom with all the strength and resources of our country still are capable of remembering and loving a small boy, an individual human being.

My colleague, the Honorable JOSEPH M. MONTOYA, viewed this film, and I am sure he is in agreement with me, as are others who have seen it and expressed the feeling that this is a film of merit, making a real contribution to a better and truer image than many have of our great country.

LAWS RELATIVE TO THE PRINTING OF DOCUMENTS

Either House may order the printing of a document not already provided for by law, but only when the same shall be accompanied by an estimate from the Public Printer as to the probable cost thereof. Any executive department, bureau, board, or independent office of the Government submitting reports or documents in response to inquiries from Congress shall submit therewith an estimate of the probable cost of printing the usual number. Nothing in this section relating to estimates shall apply to reports or documents not exceeding 50 pages (U.S. Code, title 44, sec. 140, p. 1938).

Resolutions for printing extra copies, when presented to either House, shall be referred immediately to the Committee on House Administration of the House of Representatives or the Committee on Rules and Administration of the Senate, who, in making their report, shall give the probable cost of the proposed printing upon the estimate of the Public Printer, and no extra copies shall be printed before such committee has reported (U.S. Code, title 44, sec. 133, p. 1937).

CHANGE OF RESIDENCE

Senators, Representatives, and Delegates who have changed their residences will please give information thereof to the Government Printing Office, that their addresses may be correctly given in the RECORD.

Appendix

Report of U.S. Senator Everett McKinley Dirksen on the 1st Session of the 87th Congress

EXTENSION OF REMARKS

OF

Hon. EVERETT McKINLEY DIRKSEN

OF ILLINOIS

IN THE SENATE OF THE UNITED STATES

Wednesday, September 27, 1961

Mr. DIRKSEN. Mr. President, the 87th Congress convened on January 3, 1961. The Senate was composed of 65 Democrats and 35 Republicans—100 in all, or 2 from each of the 50 States as provided by the Constitution.

The House of Representatives with a total of 437 authorized Members consisted of 260 Democrats, 172 Republicans, 1 undetermined, with 4 vacancies.

SECTION 1, THE REPUBLICAN REPORT: ISSUES, FACTS, AND ACTIONS, 87TH CONGRESS, 1ST SESSION

ADMINISTRATION MAJORITY OF 28 IN SENATE

Senator LYNDON JOHNSON resigned his Senate seat to become Vice President, thereby becoming the Presiding Officer of the Senate and leaving a vacancy from Texas which was filled by the appointment of William A. Blakley. This vacancy from Texas was subsequently filled by a general election as a result of which JOHN TOWER, age 36, a Republican, and a professor at Midwestern University at Wichita Falls, Tex., was elected by a decisive vote. This changed the party ratio in the Senate to 64 Democrats and 36 Republicans. I emphasize the fact for the purpose of showing that the administration party had a majority of 28 votes in the Senate.

EFFECTS OF 1960 CENSUS

The population shifts shown by the 1960 census mean that 25 States must redistrict their congressional seats. In 9 of these States the House delegations will be increased, and in 16 States they will be reduced. It is quite likely that the 88th Congress, which will be elected in November of 1962, will show substantial changes in the makeup of the State delegations.

EFFECT OF CLOSE PRESIDENTIAL ELECTION

The spirited preconvention contests for the Democratic nomination for the Presidency, and the close election in November of 1960, stimulated a sharp interest in a modification of present laws dealing with national elections. Resolutions were quickly introduced for the nomination of candidates for the Presidency by direct primary, for the abolition of the electoral college, for the selection of presidential electors on the basis of congressional districts, together with other proposals. All of these, however, can be consummated only by a constitutional amendment, and thus a change from the present system is not imminent inasmuch as the Congress took no action on any of these proposals during the session just closed.

NEW PROPOSAL FOR INAUGURATION DAY

Still another suggestion dealing with the election process was to reduce the 10 weeks' time between election day and the day on which the President under the Constitution takes the oath of office. It has been suggested, therefore, that a new President might well take the oath immediately after election day and that the inaugural ceremonies be held in the spring when the weather is balmy and stable.

There is, however, a time factor in all this. A new President must have time to select a Cabinet and other high officials and also plan his program. In addition, newly appointed officials must have time to prepare for their new responsibilities. Moreover, such a proposal could only be carried out by a constitutional amendment, and that usually takes a considerable period of time.

EXECUTIVE RELATIONS

The Republican minority relationship with the President and the executive branch has been agreeable, objective, and firm. The President, having served with so many Members of the House and Senate in the legislative branch, brought an understanding background to the consideration of national problems, whether on the domestic level or in the international field. The Republican minority has always contended that it was entitled to be consulted on matters of national import, that it should have an opportunity to comment and criticize where important policies were involved and thereafter abide the result so far as policies in the foreign field were concerned.

With respect to domestic legislation the Republican minority has not hesitated to approve if approval was deemed in the national interest, to amend if amendments were necessary, and to oppose if such measures were not conducive to our national well-being and to the preservation of our free system. We regard this as enlightened opposition and the record on domestic measures speaks for itself.

There is set out in the following pages of this report a brief summary of the most important legislative measures which were enacted into law. It is necessary to highlight the essential provisions of these measures in order to afford complete understanding of their content.

A FILIBUSTER AT BOTH ENDS OF THE SESSION

The 1st session of the 87th Congress was unusual in at least one respect. It began with a filibuster and almost ended with a filibuster. The first order of business in the Senate when Congress convened was an endeavor to secure a change in a standing rule of the Senate numbered 22. This rule deals with the procedure of closing off debate and the bone of contention for a good many years has been the number of Senators required to vote on cloture in order to bring it into effect.

Several attempts have been made over the years to liberalize this rule. The effort to do so this year was promptly met with long speeches, live quorum calls to which all Senators must respond, and other procedures to prevent action on a modification of this rule. The debate continued day after day and, in fact, within a few days before the inauguration of the President. This presented a real dilemma.

Unless an accord was reached on the matter, or the rule change withdrawn, the Senate could not confirm the President's Cabinet selections and the country might have been confronted with the spectacle of a President duly inaugurated but without a Cabinet.

BIPARTISAN AGREEMENT REACHED

In the face of this predicament a bipartisan leadership conference was held at which all groups who had an interest in the matter agreed to defer further consideration of the proposed rule change until the end of the session, at which time the Rules Committee would be asked to report a modified rule for further consideration by the Senate.

BIPARTISAN PROMISE KEPT

In late August the Rules Committee did report such a rule change in the form of an amendment to the existing rule XXII but without recommendation by the committee. Thus the matter was again in the hands of the Senate for further consideration.

CLOTURE PETITION DEFEATED

An amendment to rule XXII was finally offered providing that cloture could be effected by a vote of three-fifths of the Members present and voting. Along with this rule modification there was filed a petition under existing rules to close debate on this motion, which was signed by 22 Senators. The cloture petition required a two-thirds vote. It was, in fact, defeated and that ended any endeavor during this session to bring about a modification of rule XXII.

SAMENESS OF LEGISLATIVE PATTERN

There is always a certain sameness to the legislative pattern year after year and Congress after Congress. In this respect the 1st session of the 87th Congress did not differ materially from its predecessors. Early in the session came the committee assignments to standing, select, and special committees and the usual requests for funds to carry on various investigations.

COST OF INVESTIGATIONS

Each year it seems that the investigations grow in number and in length. In the 84th Congress the Senate spent $7 million on investigations; in the 85th it was $8.2 million; in the 86th it was $10.8 million. At the close of the first session of this Congress $4.1 million had already been authorized for Senate investigations.

NATIONAL ISSUES

DEPRESSED AREAS

The depressed areas bill which had languished before the House and Senate for many years was finally enacted into law. Such a measure could have become law several years ago if the Democratic Congress had been willing to modify certain provisions which President Eisenhower had objected to as excessive and extravagant.

CIVIL RIGHTS

Strangely enough there were no administration proposals in the civil rights field other than the extension of the life of the Civil Rights Commission, and this is the only item in this field on which the Congress took action.

MINIMUM WAGES

Modifications of the Fair Labor Standards Act, commonly referred to as the minimum wage law, were enacted. Here again one might properly point out that there could have been modifications in the Minimum Wage Act several years ago if Presidential recommendations had been at least in substantial part met by the Congress.

AID TO EDUCATION

Congress voted to continue for 2 years the program of aid to federally impacted areas—where children of Federal workers and military personnel have required the building of additional school facilities—and the National Defense Education Act to encourage studies in science, foreign languages, and mathematics. Although lengthy consideration was given to an overall Federal Aid to Education Act, it fell by the wayside.

AGRICULTURE

Seldom is there a session when farm legislation does not command great attention. In this session two administration bills—one referred to as the emergency feed grains program and the other as the omnibus farm bill—were enacted into law. However, the latter was very substantially changed by Congress before it went to the President for signature.

MEDICAL AID FOR SENIOR CITIZENS

No further action was taken in this Congress on medical aid to the aged. Therefore, the law enacted in the 86th Congress and signed by President Eisenhower is still in effect and many States through legislative action are now giving effect to this program.

LABOR

Principal items in the labor field on which Congress took action this session included temporary unemployment aid, social security changes, aid to dependent children of jobless parents, and extension of the Mexican migratory farmworker program. A limited job retraining program was part of the depressed areas bill approved by Congress. A large-scale job retraining program, approved by the Senate, was pending in the House at adjournment time.

NATIONAL SECURITY

The acute Berlin crisis and the new Communist offensives in Asia raised anew the threat of conventional, as well as of missile, warfare. Congress gave all that the administration requested, and more in the way of military appropriations.

A new interest in civilian defense became manifest as a result of these crises. Some $300 million was authorized and appropriated to make a nationwide survey as to what might be done to develop more effective civilian defense measures, including both mass and individual shelters.

Space exploration was continued and at the request of the administration expanded to a billion-dollar-a-year program.

ARMS CONTROL AND DISARMAMENT

The administration requested that a new agency be established to study ways and means of disarmament. Congress insisted on the use of the term "arms control" as well, on the grounds that it would more accurately describe the purpose of such an agency.

HOUSING

The most expensive omnibus housing bill in history was enacted into law in this session. Among other things FHA mortgage insurance was extended to a new so-called middle-income housing program under which practically no downpayments are required and the mortgage repayment period may be extended up to 35 years, and in so-called hardship cases up to 40 years. In addition, subsidized public housing was provided for the first time for middle-income families.

NEW JUDGESHIPS

Because of crowded dockets there has long been a pressing need for an increase in the number of Federal judges at the district and circuit level. President Eisenhower had pointed out this need for over 3 years, but it was not until this session that Congress agreed to meet this need by providing for 73 new judgeships.

PUBLIC DEBT

Toward the end of the session the administration chose to claim as one of its "major" accomplishments the raising of the ceiling on the public debt—from its permanent limit of $285 billion to a temporary limit of $298 billion, effective until next June 30.

While the administration preferred to regard this as a major achievement, Congress recognized that, as required by the Constitution, it was done only to cover the debt increase due to enormously expanded domestic, military, and foreign spending programs.

OTHER LEGISLATION

Other enactments of general interest included the Highway Financing Act to continue the present interstate highway construction timetable, the water pollution control program, and tax extension.

APPROPRIATIONS

In addition, there were the usual appropriation bills which are always a "must," consisting of appropriations for the Departments of Agriculture, Defense, Interior, Labor, Health, Education, and Welfare, State, Justice, Commerce, Treasury, and Post Office, and the District of Columbia, the independent offices and agencies, legislative, military construction, foreign aid, judiciary, plus the various supplemental appropriations.

The control over the appropriation of money is one of the most important of the constitutional powers of Congress. It was here that an intensive struggle between the administration and Congress was waged this session. The administration put constant pressure on Congress to agree to direct borrowing from the Treasury—so-called back-door financing—for many of its most expensive programs; that is, housing, depressed areas, and the loan program for underdeveloped countries in the foreign aid bill. If agreed to, Congress would have relinquished its traditional control over appropriations insofar as such programs were concerned. Because of the vast costs of these programs, the weakening effect of the loss of congressional control over spending could have been incalculable. It is gratifying to observe that as finally passed the foreign aid bill eliminated back-door financing. Moreover, in the supplemental appropriations bill, Congress struck out other back-door financing of depressed areas, housing, mass transit, and open spaces programs, and thereby went a long way toward reestablishing a proper equilibrium in power as between the executive and legislature.

LIGHTER MOMENTS IN NEW FRONTIER LAND

With becoming modesty the New Frontiersmen mentioned only 33 major accomplishments during the first session—more than Roosevelt and Eisenhower combined. We would give credit where credit is due, and call attention to other imperishable moments of greatness:

First. The request—which the House, good sport that it was, went along with—that tickets to the "entertainments" connected with the inauguration of President-elect Kennedy be exempt from Federal admission taxes. No previous administration had requested such exemption, which cost the Federal Government an estimated $60,000 in tax revenues. This might be termed the first sacrifice a la New Frontier.

Second. The removal of some Eisenhower plaques from new post office buildings, so they could be replaced by Kennedy plaques. Sacrifice No. 2. However, the Senate balked and took no action.

Third. The order that all White House cooks, maids, valets and other household help must sign statements that they would not write or speak publicly about their association with the Kennedys. Many potential literary careers were nipped in the bud, and this was sacrifice No. 3.

Fourth. Interior Secretary Udall's request that gas and oil lobbyists sacrifice by buying tickets for a presidential birthday dinner.

Fifth. The cloud of Madison Avenue-type "explanations" thrown about De-

fense Secretary McNamara after he let slip the fact that, contrary to Mr. Kennedy's presidential campaign propaganda, no "missile gap" existed as between the United States and Russia.

Sixth. Mr. Kennedy's economic report to Congress, which provided the President with a self-serving alibi, that is, if economic conditions improve he can say, "Fine, we Democrats did it," and if things get worse he can say, "That's what Eisenhower handed me."

Seventh. An order, apparently issued by the public relations section of the New Frontier, to the effect that executive agencies should glorify even their routine actions by dramatic press releases crediting these developments to the chief scout of the New Frontier, President Kennedy.

INTERNATIONAL ISSUES

There are always many matters in the international field which receive a thoroughgoing discussion in the Senate even though they do not come before the Congress for specific action. This session they included the Berlin crisis, the Cuban debacle, the problems in Laos and the Congo, proposals to admit Communist China and Outer Mongolia into the United Nations, and others.

There are, however, a good many items in the international field which do require congressional action. These include the foreign aid authorization bill and the appropriation measures to go with it, funds for various agencies operating abroad such as the Export-Import Bank, the Inter-American Bank, and necessary funds for the participation of this country in the Southeast Asia Treaty Organization, the North Atlantic Treaty Organization, Central Treaty Organization, the United Nations, the Congo venture, and other activities.

PEACE CORPS

A new agency in the international field, known as the Peace Corps, established earlier by Executive order, was made permanent. It was designed to send Americans to countries in need of additional trained manpower.

NUCLEAR TESTS

One item in the executive domain which received a great deal of discussion was the matter of banning nuclear and atomic tests. This was under the direction of the President. After nearly 350 fruitless sessions at Geneva, Switzerland, the Soviet Union broke up the test ban conference and saluted its action by a series of bomb tests in the atmosphere.

CONSTITUTIONAL AMENDMENTS

The urge to amend the Constitution never dies. Every session of the Congress sees the introduction of proposals to amend that organic document. In spite of this it has been amended only 23 times in 164 years, including the 10 amendments known as the Bill of Rights adopted in 1791 and the 3 which were the direct result of the Civil War.

These proposals come in great variety and deal with such matters as presidential primary, abolition of the electoral college, providing a vote for 18-year-olds, poll tax repeal, giving the President power to veto single items in appropriation bills without vetoing the entire measure, presidential disability, repeal of the presidential two-term amendment, providing a 4-year term for Members of the House, filling House vacancies in the event of disaster, exclusion of the Federal Government from school control, and a good many others.

There were a total of 39 resolutions introduced to amend the Constitution but only 2 received as much as Senate subcommittee approval; none was passed.

THE "MONEYMOON" IS NEVER OVER

We hear much of honeymoons between the President and the Congress, but there are also moneymoons—that is, the continuing exercise of the spending function by the Congress.

I can state it no better than was stated in an editorial in the Wall Street Journal on Friday, August 25, 1961, and at this point I shall set out the editorial in its entirety. It needs no elaboration and speaks for itself. From all this it must be quite evident that the "moneymoon" has not stopped:

[From the Wall Street Journal, Aug. 25, 1961]

SEVEN MONTHS OF SPENDING

When President Kennedy took office a bare 7 months ago the fiscal outlook for the Federal Government was for a slight surplus for the year ending last June 30 and an appreciable surplus of $1.5 billion for the current fiscal year, ending next June 30.

By the time last June rolled around that slight surplus had been converted into a deficit of $3.9 billion. And now Mr. Kennedy's Budget Director has toted up the figures for the present fiscal year and foresees a deficit of at least $5.3 billion.

Now, then, a little arithmetic will show you that if, instead of a $1.5 billion surplus you have a $5.3 billion deficit, the total change for the worse in the Government's accounts is $6.8 billion for this present fiscal year. And when you add on the $3.9 billion deficit created in the last 6 months of the last fiscal year, you come up with the staggering total of $10.7 billion by which this administration has changed things for the worse.

It would be an error to suppose that this dramatic change from comfortable surplus to staggering deficit has been caused by a sharp drop in the Government's revenues or that it can all be laid at the door of the Berlin crisis.

The administration has, it is true, shifted its revenue estimates around quite a bit. Originally, the President thought Mr. Eisenhower's estimate for 1961–62 revenues was too high and he cut it back. But now the present administration thinks the previous administration was about right, or if anything slightly low. The current revenue estimate for this year is $82.4 billion, some $100 million more than Mr. Eisenhower hoped for.

The real change has been in spending. Of last June's $3.9 billion deficit, $2.6 billion represented greater expenditures from the Eisenhower budget. And the whole of the $6.8 billion change in outlook for this fiscal year is accounted for by an increase in planned spending from $80.9 billion to more than $87.7 billion in the revised Kennedy budget.

Moreover, this spending increase has by no means been due entirely to new spending on arms. The military accounted for less than $800 million of that $2.6 billion increase in spending from January to June; most of it came from accelerated spending by the administration for its antirecession program. As for the 1961–62 budget, only $3.7 billion of the total $6.8 billion increase is to go for new military spending.

Out of this maze of figures, one thing emerges. A total of $10.7 billion has been added to the fiscal burden of the Government in its first 7 months, of which not more than $4.5 billion, by the administration's estimate, can be attributed to defense costs—less than a billion in the 1961 fiscal year, $3.7 billion in the current fiscal year.

The remaining $6.2 billion of the increase is made up of sums added for welfare spending, education, housing, public works, the Peace Corps, the general administration of the Government, and all the rest. That $6.2 billion, it might be noted, would have turned the Eisenhower surplus into a Kennedy deficit if the Nation had never heard of Berlin.

But since the Nation has, that $6.2 billion is $6.2 billion of added weight which the country must carry in addition to all its present and future burdens for military defense. For those military burdens will increase. Budget Director Bell warns that it may even be necessary to take additional action this year and that certainly next January's budget will carry higher defense costs.

As for what that total budget will be—welfare, pump priming, and all the rest—we have no idea. But clearly you can put aside the thought, so often expressed in Washington, that all this new spending is just due to the urgent needs of defense.

And we don't think you need expect anything trivial in next January's budget from an administration that can achieve a $10.7 billion change from black to red ink in a bare 7 months' work.

NEW PEACETIME SPENDING RECORD

The 1st session of the 87th Congress voted a grand total of $95.8 billion for President Kennedy to spend—more than any other President has received in peacetime. The previous peacetime record was $83.8 billion voted last year.

Some of the new money that Congress authorized this year will be spent in future years. But spending is certain to set a peacetime record during the fiscal year that started July 1. Official administration estimates place the figure for this year at $88 billion, an outlay exceeded only in 2 war years.

THE CUBAN DEBACLE

The failure of the invasion at the Bay of Pigs in Cuba last April 1961 caused dismay and consternation and ever since has been the subject of repeated discussions in the hope that the whole factual story might at long last be set forth.

This is a matter of vital importance to the Nation in view of the fact that a Communist infection festers only 90 miles from our shores. One could ventilate this subject at great length from many sources, but I have seen no account which sets forth the whole history of the matter in more compact fashion that the article which appeared in Time magazine on September 1, 1961, which was excerpted from a more detailed article in the September issue of Fortune magazine.

Certainly, the Cuban debacle will continue to be discussed, and it is not inappropriate, therefore, that this summation be included in this report for ready reference for any discussion which may arise:

[From Time magazine, Sept. 1, 1961]

HOW THE CUBAN INVASION FAILED

Last April's U.S.-backed invasion of Cuba's Bay of Pigs will be long remembered and

angrily debated. In the September issue of Fortune, the magazine's Washington correspondent, Charles J. V. Murphy, tells in behind-the-scenes detail the incredible story of how that invasion failed.

The idea for the invasion had taken root during the early summer of 1960. By then, thousands of defectors from Castro's Cuba were in the United States. Many of them were soldiers. The job of organizing and training them was given to the Central Intelligence Agency. It became the specific responsibility of one of the CIA's top deputies, Richard M. Bissell, a former economist who is also a highly practical executive.

During the summer and fall of 1960, President Eisenhower from time to time personally reviewed the scheme. In late November, the last time it came up for his comprehensive review, an operational plan had not yet crystallized. It was taken for granted that a landing in force could not possibly be brought off unless the expedition was shepherded to the beach by the U.S. Navy (either openly or in disguise) and covered by air power in whatever amount might be necessary. Eisenhower, the commander of Normandy, understood this well enough.

After his election, Kennedy had been briefed fairly frequently on the Cuban situation. He discussed Cuba at length in both his preinaugural talks with Eisenhower. On taking office, Kennedy decided that he had to have from the Joint Chiefs of Staff a technical opinion of the feasibility of the project.

HOW IT WAS PLANNED

The plan still assumed that U.S. military help would be on call during the landing. Castro's air force consisted of not quite two-score planes—a dozen or so obsolete B–26's, plus about the same number of obsolete British Sea Furies. But in addition there were seven or eight T–33 jet trainers, the remnants of an earlier U.S. transaction with the Batista government, so the force was not the pushover it appeared at first glance. Armed with rockets, these jets would be more than a match in a battle for the exiles' B–26's.

It stood to reason that, considering how small the landing party was, the success of the operation would hinge on the B–26's controlling the air over the beachhead. And the margins that the planners accepted were narrow to begin with. The B–26's were to operate from a staging base in a Central American country more than 500 miles from Cuba. The round trip would take better than 6 hours, and that would leave the planes with fuel for only 45 minutes of action over Cuba. In contrast, Castro's air force could be over the beachhead and the invaders' ships in a matter of minutes. Hence the absolute necessity of knocking out Castro's airpower, or at least reducing it to impotence, by the time the ground battle was joined.

This, in general terms, was the plan the Chiefs reviewed for Kennedy. They judged the tactical elements sound, and indeed they accorded the operation a high probability of success. But some of Kennedy's closest advisers were assailed by sinking second thoughts. What bothered them was the "immorality" of masked aggression. They recoiled from having the United States employ subterfuge in striking down even as dangerous an adversary as Castro, and they were unanimously opposed to having the United States do the job in the open.

THE CHANGES

The "immorality" of the intervention found its most eloquent voice before the President during a meeting in the State Department on April 4, only 13 days before the date set for the invasion. The occasion was Bissell's final review of the operation, and practically everybody connected with high strategy was on hand—Secretary of State Rusk, Secretary of Defense McNamara, Secretary of the Treasury Dillon, Joint Chiefs of Staff Chairman Lemnitzer, CIA Chief Allen Dulles, as well as McGeorge Bundy, Paul Nitze, then Assistant Secretary of State for Inter-American Affairs, Thomas Mann, and three Kennedy specialists in Latin American matters—Adolf Berle, Arthur M. Schlesinger, Jr., and Richard Goodwin. There was also one outsider, Senator WILLIAM FULBRIGHT, chairman of the Senate Foreign Relations Committee, whose support Kennedy wanted. After Bissell had completed his briefing and Dulles had summed up risks and prospects, Fulbright denounced the proposition out of hand: It was the wrong thing for the United States to get involved in.

Rusk said he was for it, in answer to the President's direct question, but, as would presently be manifest, he privately had no heart for it. Two other men among the President's senior foreign policy advisers, not present at the meeting, shared FULBRIGHT'S feelings: Under Secretary of State Chester Bowles and Adlai Stevenson. In deference to these views, Kennedy made two separate rulings which were to contribute to the fatal dismemberment of the whole plan. First, U.S. airpower would not be on call at any time. Second, the B–26's flown by "our" Cubans could be used in only two strikes before the invasion—first on D-minus-2-days and again on the morning of the landing.

Dawn of April 15, by the timetable, the B–26's, having flown undetected through the night from their Central American staging base, appeared over Cuba and bombed the three fields on which Castro's ready air was deployed. The attack was, on the whole, highly successful. Half of Castro's B–26's and Sea Furries and four of his T–33 jets were blown up or damaged.

REQUEST FOR "BOXER"

Sunday evening, only some 8 hours after Kennedy had given the final go-ahead, the expedition in the first dark was creeping toward the Cuban shore. In Bissell's office, there was a call on the White House line. It was Bundy, being even crisper than usual: The B–26's were to stand down, there was to be no air strike in the morning, this was a Presidential order. Rusk was now acting for the President in the situation. Bissell was stunned. He and CIA Deputy Director General Charles Cabell, an experienced airman, went together to the State Department to urge Rusk to reconsider. Cabell was greatly worried about the vulnerability to air attack of the ships and then of the troops on the beach. Rusk was not impressed. The ships, he suggested, could unload and retire to the open sea before daylight; as for the troops ashore being unduly inconvenienced by Castro's air, it had been his experience as a colonel in the Burma Theater that air attack could be more of a nuisance than a danger. One fact he made absolutely clear: military considerations had overruled the political when the D-minus-2 strike had been laid on; now political considerations were taking over.

Past midnight Bissell and Cabell restudied the battle plan while signals of consternation welled up from their men far to the south. At 4 o'clock, less than an hour before first light on the Cuban shore, Cabell went back to Rusk with another proposal. It was manifestly impossible for the Cuban Brigade's small force of B–26's (only 16 were operational) to provide effective air cover for the ships from their distant base. Cabell now asked whether, if the ships were to pull back to international water, the U.S.S. *Boxer*, a carrier on station about 50 miles from the Bay of Pigs, could be instructed to provide cover. Rusk said "No." The President was awakened. Cabell registered his concern. The answer still was "No."

THE END

The invasion force had little chance. They were without the ranging firepower which the B–26's with their bombs and machineguns had been expected to apply against Castro's tanks and artillery. Castro's forces came up fast. He still had four jets left, and they were armed with powerful rockets. He used them well. Before the morning was done he had sunk two transports and driven off two others.

Now Kennedy and his strategists became alarmed. About noon on Monday, Bissell was told that the B–26's could attack Castro's airfields at will. But the orders came too late. Most of the pilots had been in the air for upward of 18 hours in an unavailing effort to keep Castro's planes off the troops and the remaining ship. That night a small force was scratched together. It was over Cuba at dawn, only to find the fields hidden by low, impenetrable fog.

Tuesday was the turning point. The men ashore had fought bravely and gained their planned objectives. They had even seized and bulldozed the airfield. But they were desperately short of ammunition and food, and under the pressure of Castro's superior firepower and number they were being forced back acoss the beach. There remained one last chance to make the thing go. *Boxer* was still on station. The release of a few of its jets simply for air cover should see two landing craft with ammunition and rations safely to the shore.

At a White House meeting that night, Bissell made it plain that unless U.S. airpower was brought forward, the men on the beach were doomed. He asked that *Boxer's* planes be brought into the battle. Rusk still would not have this. Several others were also opposed, including the President's personal staffers. Chief of Naval Operations Arleigh Burke vouched for the worth of Bissell's proposition. The outcome of the meeting was a singular compromise. Jets from *Boxer* would provide cover next morning for exactly 1 hour, long enough for the ships to run into the shore and start unloading and for the remaining B–26's to get in a hard blow.

Next morning, through an incredible mischance, the B–26's were over Cuba half an hour ahead of schedule. *Boxer's* jets were still on the flight deck. But Castro's jets were ready. Two of the B–26's were shot down; others were hit and forced to abort. That was the melancholy end.

VITAL STATISTICS

I presume it can be properly said that there are certain vital statistics about every session which, while quite undramatic, nevertheless set forth in some detail the days when House and Senate were in session, the size of the RECORD which was compiled, the number of bills introduced and enacted, and items of a similar nature. It would be proper, therefore, to include at this point in this report a résumé of congressional activity for the entire session.

RÉSUMÉ OF CONGRESSIONAL ACTIVITY, 1ST SESSION OF 87TH CONGRESS

The first table gives a comprehensive résumé of all legislative business trans-

acted by the House and Senate. The second table accounts for all nominations submitted to the Senate by the President for Senate confirmation.

Data on legislative activity, Jan. 3 through Sept. 26, 1961

	Senate	House	Total
Days in session	146	147	
Time in session:			
Hours	1,005	569	
Minutes	00	43	
Congressional Record:			
Pages of proceedings	12,755	7,489	20,244
Appendix			7,878
Public bills enacted into law	[1] 121	[1] 206	327
Private bills enacted into law	[1] 88	[1] 176	264
Bills in conference		7	
Bills through conference	14	41	
Measures passed, total	1,133	1,232	
Senate bills	459	245	
House bills	433	678	
Senate joint resolutions	25	11	
House joint resolutions	27	31	
Senate concurrent resolutions	23	19	
House concurrent resolutions	23	25	
Simple resolutions	143	223	366
Measures reported, total	[2] 1,239	[2] 1,159	
Senate bills	501	179	
House bills	433	772	
Senate joint resolutions	27	6	
House joint resolutions	26	24	
Senate concurrent resolutions	29	11	
House concurrent resolutions	23	19	
Simple resolutions	200	148	348
Special reports	35	54	
Conference reports		62	
Reported measures not acted on	[3] 36	[3] 60	
Measures introduced, total	3,071	10,955	14,026
Bills	2,644	9,480	12,124
Joint resolutions	145	593	738
Concurrent resolutions	55	401	456
Simple resolutions	227	481	708
Quorum calls	33	115	148
Yea-and-nay votes	207	116	323
Bills vetoed	[1] 1	[1] 5	
Vetoes overridden			

[1] Figures on laws and vetoes are complete through Sept. 26.

[2] These figures on measures reported included all placed on calendar or acted on by Senate even if there was no accompanying report. A total of 1,115 reports has been filed in the Senate; a total of 1,275 has been filed in the House.

[3] This figure does not agree with the total difference between bills reported and bills passed, because resolutions and bills placed on the House Calendar without having been formally reported were not included in figures of measures reported to the House: the difference in the case of Senate figures is due to uncounted bills "laid on the table" or indefinitely postponed."

Disposition of executive nominations, Jan. 3 through Sept. 26, 1961

Postmaster nominations, totaling 2,097, disposed of as follows:	
Confirmed	704
Withdrawn	1,243
Unconfirmed	150
Army nominations, totaling 10,563, disposed of as follows:	
Confirmed	10,540
Unconfirmed	23
Air Force nominations, totaling 12,637, disposed of as follows:	
Confirmed	12,635
Unconfirmed	2
Navy nominations, totaling 18,362 disposed of as follows:	
Confirmed	18,361
Unconfirmed	1
Marine Corps nominations, totaling 3,541, disposed of as follows:	
Confirmed	3,262
Unconfirmed	279
Civilian nominations other than postmaster, totaling 3,570, disposed of as follows:	
Confirmed	3,460
Withdrawn	28
Unconfirmed	82

Disposition of executive nominations, Jan. 3 through Sept. 26, 1961—Continued

SUMMARY

Total nominations received	50,770
Total withdrawn	1,271
Total unconfirmed	537
Total confirmed	48,962

APPROPRIATIONS

When each session of the Congress closes it is customary to insert in the CONGRESSIONAL RECORD a verified table of budget estimates and appropriations for the entire session, together with requests for and congressional actions on loan authorizations contained in appropriation bills, so that a complete fiscal picture of what was contrived during the session might be available. To make this report reasonably complete, therefore, there follows a résumé of actions in the appropriations field. This has been compiled by the staff of the Senate Appropriations Committee. This is a highly competent staff and there is every reason to believe that the figures are accurate and correct in every detail.

Fiscal year 1962

[In millions]

	Original January 1961 submission	Revised as of Mar. 28, 1961	Revised as of May 25, 1961	Revised as of July 26, 1961	
EXPENDITURES ESTIMATED					
Major national security	$47,392	$48,172	$48,322	$50,922	
Other	33,473	36,087	36,661	36,801	
Total	80,865	84,259	84,983	87,723	
SURPLUS OR DEFICIT					
Receipts	82,333	[1] 81,433	[1] 81,433	[1] 81,433	[2] 82,433
Expenditures	80,865	84,259	84,983	87,723	87,723
Surplus (+) or deficit (−)	+1,468	−2,826	−3,550	−6,290	−5,290
NEW OBLIGATIONAL AUTHORITY					
Major national security	46,278	48,062	48,584	51,831	
Other	34,589	37,964	41,005	41,212	
Total	80,867	[3] 86,026	[3] 89,589	[3] 93,043	

[1] Estimates prepared in March 1961.

[2] President estimated an additional $1,000,000,000 in revenue a few days after July 26, thus making the deficit $5,290,000,000.

[3] Includes $1,982 transferred from 1961 to 1962 by action on 3d supplemental appropriations bill.

NOTE.—No figures from trust fund accounts are included in above tables.

Table of appropriation bills, 87th Cong., 1st sess.

Bill No.	Title	Budget estimates	Amount as passed		Final action, amount as approved	Increase (+) or decrease (−) compared to budget estimates
			House	Senate		
	1961 SUPPLEMENTALS					
H.R. 5188	3d supplemental	$5,275,213,127	$8 3,506,119	$4,637,419,970	$1,694,055,637	[1] −$3,581,157,490
H.R. 6518	Inter-American program	600,000,000	600,000,000	600,000,000	600,000,000	
H.R. 7712	4th supplemental	88,024,000	47,214,000	47,214,000	47,214,000	−40,810,000
	Total, 1961 supplementals	5,963,237,127	1,450,720,119	5,284,633,970	2,341,269,637	−3,621,967,490
	1962 APPROPRIATIONS					
H.R. 5954	Treasury-Post Office	5,371,801,000	5,281,865,000	5,327,631,000	5,298,765,000	−73,036,000
H.R. 6345	Interior [2]	782,387,000	753,319,000	813,399,850	779,158,650	−3,228,350
H.R. 7035	Labor–HEW	5,004,281,081	4,327,457,000	5,161,380,000	4,915,965,000	−88,316,081
H.R. 7208	Legislative	136,082,802	104,353,335	135,432,065	135,432,065	−650,737
H.R. 7371	State, Justice, judiciary	795,891,202	751,000,050	762,038,550	756,422,550	−39,468,652
H.R. 7444	Agriculture	6,089,244,000	5,948,466,000	5,967,457,500	5,967,494,500	−121,749,500
	Loan authorizations	(612,000,000)	(629,900,000)	(725,500,000)	(725,500,000)	(+113,500,000)
H.R. 7445	Independent offices	9,174,561,000	8,404,098,000	9,098,769,500	8,966,285,000	−208,276,000
H.R. 7577	General Government-Commerce	666,278,000	629,958,000	650,438,200	641,135,800	−25,142,200
H.R. 7851	Defense	46,396,945,000	42,711,105,000	46,848,292,000	46,662,556,000	+265,611,000
H.R. 8072	District of Columbia	(292,827,398)	(268,122,400)	(270,438,360)	(270,067,897)	(−22,759,501)
	Loan authorizations	(24,600,000)	(29,000,000)	(29,000,000)	(29,000,000)	(+4,400,000)
	Federal payment	39,753,000	32,753,000	32,753,000	32,753,000	−7,000,000

Footnotes at end of table.

Table of appropriation bills, 87th Cong., 1st sess.—Continued

Bill No.	Title	Budget estimates	Amount as passed		Final action, amount as approved	Increase (+) or decrease (−) compared to budget estimates
			House	Senate		
H.R. 8302	Military construction	$1,047,568,000	$883,359,000	$1,020,146,750	$951,690,750	−$95,877,250
H.R. 9033	Foreign assistance	4,993,991,000	3,835,245,000	4,416,091,000	4,123,345,000	−870,646,000
H.R. 9076	Public works	4,000,788,000	3,662,701,380	3,940,926,880	3,908,880,980	−91,907,020
H.R. 9169	Supplemental	1,134,639,841	573,040,923	1,068,503,903	1,125,333,341	−9,306,500
	Total, 1962 appropriations	85,634,210,926	77,896,020,688	85,243,260,198	84,265,217,636	−1,368,993,290
	Total, all appropriations	91,597,448,053	79,346,740,807	90,527,894,168	86,606,487,273	−4,990,960,780
	Total, loan authorizations	636,600,000	658,900,000	754,500,000	754,500,000	+117,900,000

[1] Major reductions include two items submitted directly to Senate (S. Doc. 19) (1) $2,969,525,000 to restore funds of Commodity Credit Corporation. Entire estimate: disallowed in conference: $1,951,915,000 resubmitted for 1962 in budget estimates for Agriculture (H. Doc. 155); (2) $490,000,000 for "Payment to the Federal extended compensation account." Reduction made by Senate. Resubmitted to Senate for 1962 in Labor-HEW bill (S. Doc. 30).

[2] Includes borrowing authority as follows: Budget estimate, $15,000,000; House reported and passed, $10,000,000; Senate reported and passed, $10,000,000.

NOTE.—Indefinite appropriations are included in this table.

EPILOG

The session is over. The appraisal now begins.

Generally, possession appraisals are on the quantitative side. How much has been done? How many bills have been introduced? How many laws have been enacted? What percentage of the administration's program has been approved? Truly this is important, but not nearly so important as the question of what kind of measures have been enacted and how they affect the national direction.

A QUALITATIVE ANALYSIS

First. From the qualitative standpoint, let it be said that when claims are made about the enactment of a Wage-Hour Act this could have been done more than a year ago under the Eisenhower administration at $1.15 per hour. But the Democrats at that time insisted on $1.25 and the inclusion of much intrastate business within the jurisdiction of the Federal Government by using the dollar sign and sales volume as the criterion of what constituted matters affecting interstate commerce.

This year, however, the Kennedy administration itself proposed $1.15 an hour with increases in the future and made substantial concessions on the invasion of intrastate commerce, but the precedent was set: The new law now extends Federal jurisdiction over enterprises which are and should be within the jurisdiction of the States.

Second. There could have been a distressed areas and area redevelopment program long before the new administration came into power but its leaders insisted upon criteria which were objectionable to the Eisenhower administration.

Third. In the farm field this year Congress successfully resisted administration efforts to persuade it to give up primary responsibility for the development and enactment of new farm programs. What the administration sought to do was reverse the traditional roles of the legislative and executive branches by, in effect, delegating to the Agriculture Department the power to proclaim new farm laws, leaving Congress with no alternative but to accept or reject such programs without modification. Congress, in its infinite wisdom, declined the honor.

Fourth. As the States continue to provide legislation and formulate their plans for health care for the aged under the medicare program enacted in the Eisenhower administration, certainly this administration could properly have done much to encourage that program rather than insist on supplanting it with an entirely new program calling for additional social security taxes. Any claim by the present administration to great achievement in the field of health care for the aged would be hollow indeed.

Fifth. Doubtless, full credit will be taken for the enactment of a foreign assistance program, but it should be remembered that enactment occurred only after the program was considerably modified and the back-door financing eliminated by the Congress. Curiously, the administration then did an about-face on its foreign aid financing proposal and announced the new program was wholly acceptable.

Sixth. Congress also prevailed against the demands of the administration by (1) approving extension of aid to federally impacted school areas and extension of the National Defense Education Act without enacting an omnibus Federal aid to education bill, and (2) rejecting proposals to generate and sell public power at the proposed atomic energy plant at Hanford, Wash.

These, then, were the major areas in which the administration was forced to bow to the will of Congress.

These were not instances where Congress sought to show its mastery of the administration solely for the satisfaction of victory. The stakes were much higher.

The will of Congress prevailed in these cases because any other course would have been detrimental to the interests of our citizens and this Nation's leadership in world affairs.

If, therefore, the New Frontier emphasizes quantity, we might well look at the quality and consider how the New Frontier proposals were radically modified by the Congress under the spur of Republican determination that extremism in new enactments must be avoided.

More important still is the question of our national direction.

We adjourned in the month of September when we observe the anniversary of the formulation of the Constitution of the United States.

Since its birth, the Republican Party has always shared the constitutional concept and devotion to the purpose and meaning of that document in order to give fixed direction to the National Government. It includes the dedication of Republicans to the concept of a central government with divided powers, a State-Federal system with proper regard for the rights of the States, the guarantees of freedom, limitations upon the authority and jurisdiction of the National Government, and a wholesome repect for the principle that the legitimate object of government is to do for people what needs to be done and which they cannot do at all or effectively in their separate and individual capacities.

It embraces also the basic principle of our whole free competitive market system, which permits economic decisions to be made in the marketplace with a minimum of governmental intrusion. It includes also the fundamental idea of growth through incentive and opportunity.

POLICIES OF NEW FRONTIER

All this, however, does not seem to be the dogma of the New Frontier. Its platform and policies clearly disclose that it follows a purported line of growth through spending, through the enhancement of Executive power, through more and more regulation, through deeper intrusion into the affairs of the States, through use of Federal funds to handcuff the States and local communities, and through the achievement of a kind of collectivism by small doses.

ASSESSING FLOUNDERING OF ADMINISTRATION

It is strange, indeed, as one assesses the floundering of the administration that it should claim kinship with Jefferson, who was so jealous of centralized government. It is a kind of outlandish heresy for the New Frontier to style itself as the "party of hope" when the smothering of freedom can only be the ultimate result of its program.

The New Frontier is still floundering. It seeks firmly to face up to the Communist menace abroad by toying with the collectivist view at home, but the choice will have to be made. We cannot have it both ways.

In this month of our constitutional anniversary—or in any month—we might well remember what Benjamin Franklin, wise counselor that he was, said to the wife of former Mayor Powell of Philadelphia in the afternoon of September 17, 1787, when she inquired, "Dr.

Franklin, what have we got, a monarchy or a republic?"

Quickly came Franklin's reply, "A republic if you can keep it."

Our Republic will be kept only as we reenergize our devotion to the meaning and purpose of the Constitution of the United States, for therein lies firm direction for the Nation both at home and in our relations abroad.

SECTION II. THE REPUBLICAN REPORT—SUMMARY OF MAJOR LEGISLATION AND TREATIES, 87TH CONGRESS, 1ST SESSION

AGRICULTURE

Special feed grain program

(Public Law 87–5. Approved March 24, 1961)

The special program for feed grains (H.R. 4510) amended section 105 of the Agricultural Act of 1949 and section 16 of the Soil Conservation and Domestic Allotment Act, as amended, by adding a new subsection which provided:

(1) The level of price support for the 1961 crop of corn shall be established by the Secretary at such level not less than 65 percent of the parity price as the Secretary may determine and be made available on crops not to exceed the normal production of the 1961 acreage based on its average yield per acre for the 1959 and 1960 crop acreage.

(2) Eligibilty for price support on the 1961 crop of corn, grain sorghums, and any other feed grain, will require that the producer shall participate in the special agricultural conservation program for 1961 for corn and grain sorghums to the extent prescribed by the Secretary.

Section 2

(1) Producers who divert acreage from the production of corn and grain sorghums and increase their average acreage devoted in 1959 and 1960 to designated soil conserving crops or practices by an equal amount will be paid. Any producer may elect in lieu of such payment to devote such diverted acreage to castor beans, safflower, sunflower, or sesame, but must take measures to keep such diverted acreage free of insects, weeds, and rodents. The acreage eligible for payments in cash or its equivalent in kind must equal 20 percent of the average acreage planted to corn and grain sorghums in the crop years 1959 and 1960 or up to 20 acres, whichever is greater, with payments in cash on in kind at the basic county support rate not in excess of 50 percent of the normal production of the acreage diverted from corn or grain sorghums. Payments in kind only may be made by the Secretary for the diversion of up to an additional 20 percent of such crops at the basic county support rate not in excess of 60 percent of the normal production of the acreage diverted and based on the 1959 and 1960 crop acreage. Adjustments in acreage and yields for the 1959 and 1960 crop years may be made as are necessary to correct abnormal factors and to give due consideration to tillable acreage, crop rotation practices, type of soil, and topography. The Secretary may not exceed 50 percent of any payments to producers in advance of determination of performance.

(2) Appropriations were authorized in such amounts as may be necessary to enable the Secretary to carry out the program, and obligations may be incurred in advance of appropriations. The Commodity Credit Corporation was authorized to advance from its capital funds such sums as may be necessary to pay administrative expenses in connection with the program during fiscal year ending June 30, 1961, and to pay such costs as may be included in carrying out section 3 of the act.

(3) The Secretary shall provide by regulations for the sharing of payments among producers on the farm on a fair and equitable basis and in keeping with existing contracts.

Section 3

Payments in kind are to be made through the issuance of negotiable certificates which the CCC will redeem for feed grains, and the Secretary will assist the producer in the marketing of such certificates at such time and in such manner as the Secretary determines will best effectuate the purposes of the 1961 feed grain program. In the case of any certificate not presented for redemption within 30 days after its issuance, reasonable costs of storage and other carrying charges for the period beginning 30 days after its issuance and ending with the date of its presentation for redemption shall be deducted from the value of the certificate.

Section 4

Not later than 90 days after the effective date of this act, the Secretary shall submit to Congress a detailed report, including estimates where final figures are not available, setting forth, but not limited to the number and percent of cooperators under this act, the acreage retired from production by States, the cash payments made, the quantity and kind of feed grains made available under the payment-in-kind provisions and the value thereof, the overall cost of the program, the estimated savings compared with the program in effect before this act became effective, and other such information as will indicate the progress, cost, and reduction of surpluses under this act.

Farm-operating loan program adjustment

(Public Law 87–8. Approved March 29, 1961)

Under this law (H.R. 1822), which adjusted the amount of funds available for farm-operating loans made pursuant to section 21(b) of the Bankhead-Jones Farm Tenant Act, as amended, the Farm Home Administration was authorized to use up to 25 percent of the funds annually appropriated for operating loans to make loans to farmers whose credit needs exceed $10,000. Previously, only 10 perecnt of the funds could be used for this purpose. A limit of $20,000 was placed on the amount of this type of credit for which a borrower could be indebted at any one time. Repayment was to be made in accordance with the borrower's ability to repay, over periods up to 7 years, and at an interest rate of 5 percent.

Increase in funds for sale of surplus farm commodities

(Public Law 87–28. Approved May 4, 1961)

This law (S. 1027) amended title I of Public Law 480 by increasing from the present $1.5 billion to $2 billion for calendar year 1961 authorization to finance the sale of surplus farm commodities to certain countries against "soft currencies" which cannot be converted into dollars.

Temporary release and reapportionment of pooled acreage allotments

(Public Law 87–33. Approved May 16, 1961)

This law (S. 1372) amended section 378(a) of the Agricultural Adjustment Act of 1938 by authorizing pooled acreage allotments to be transferred by the owner within a particular country where they are put in a pool and the land is taken by virtue of eminent domain instead of being available for use of the original owner only. This authorization was for a period not to exceed 3 years.

Agricultural Adjustment Act amendment relative to flooded cotton acreage

(Public Law 87–37. Approved May 20, 1961)

This law (H.R. 7030) amended the Agricultural Adjustment Act to permit farmers whose cotton acreage has been flooded to transfer their acreage allotment to another farm within the county or adjoining county where they can plant on higher ground without increasing the allotted acreage. The law applied to 1961 only.

Special milk fund extension and increase

(Public Law 87–67. Approved June 30, 1961)

This law (S. 146) extended and increased the special milk program for children through June 30, 1962, and authorized the expenditure of up to $105 million in Commodity Credit Corporation funds for this purpose during that fiscal year.

Surplus foods to assist underdeveloped areas

(Public Law 87–92. Approved July 20, 1961)

This law (S. 1720) amended Public Law 480, as amended, to continue the authority of the President under title II of the Agricultural Trade Development and Assistance Act of 1954, as amended, to utilize surplus agricultural commodities to assist needy people and to promote economic development in underdeveloped areas of the world. It repealed section 601(a)(2) of the Mutual Security Act of 1960. This law will terminate December 30, 1961, with the termination of title II of the Agricultural Trade Development and Assistance Act of 1954.

Amendment of section 107(a)(3) of Soil Bank Act to provide additional relief for disaster areas

(Public Law 87–127. Approved August 7, 1961)

Emergency Feed for Livestock

This law (S. 2197) amended that section 407 of the Agricultural Act of 1949, as amended, making feed owned or controlled by the act available at any price not less than 75 percent of the current support price for such feed (or comparable price if there is no current price support) for assistance in the preservation and maintenance of foundation herds of cattle (including producing dairy cattle), sheep, and goats, and their offspring, in any area of the United States where, because of flood, drought, fire, hurricane, earthquake, storm, disease, insect infestation, or other catastrophe in such areas, the Secretary determines that an emergency exists which warrants such assistance. Such feed is to be made available only to persons who do not have, and are unable to obtain through normal channels of trade without undue financial hardship, sufficient feed for such livestock.

The law was made effective only until June 30, 1962.

Agricultural Act of 1961

(Public Law 8–128. Approved August 8, 1961)

This law (S. 1643) included the following provisions:

The 1962 Wheat Program

1. Limited foreign relief use of 1962 marketing excess wheat to friendly countries.

2. Excluded new wheat allotment farms from the 1962 wheat diversion program.

3. Provided for control of all insects on diverted wheat acreage.

4. Provided that acreage diverted from wheat may be planted to castor beans, guar, sunflower, safflower, or sesame, but no diversion payment would be made therefor.

5. Provided that the total acreage of cropland on the farm devoted to soil conservation uses, including idle land shall be increased in 1962 by the acreage diverted. The Secretary of Agriculture could, under his authority, include additional terms and conditions, prohibit noncropland from being put into crops.

6. Provided for payment rates of 45 percent for the first 10-percent reduction and 60 percent for any further reduction.

7. Required the Secretary, in fixing wheat diversion payments, to use actual 1959 and 1960 farm yields where they are proved; and made discretionary the use of adjusted county yields and farm productivity where actual yields are not proved.

8. Permitted any farmer to divert up to a total of 10 acres so long as the total wheat

acreage diversion does not exceed the larger of (1) its highest wheat acreage of 1959, 1960, or 1961, or (2) its 1962 allotment.

9. Limited the provision for increasing Durum wheat acreage allotments to 1962, 1963, and 1964; and provided that the demand for Durum wheat for export at subsidized prices not be considered in determining the need for and amount of any increase.

Feed Grain Program

1. Provided an additional limitation on the malting barley exemption from the feed grain diversion program, limiting it to malting barley producers who do not exceed 110 percent of their average 1959–60 barley acreage.

2. Provided that the average acreage of cropland on the farm devoted to soil-conserving uses, including idle land, shall be increased in 1962 by the acreage diverted. The Secretary could, under his authority, include additional terms and conditions, prohibit noncropland from being put into crops.

3. Provided for use of actual 1959–60 farm acreages and yields when proved and provided for adjustment of farm yields for the same factors as used for adjusting acreage, and included soil and water conservation measures among the factors for which adjustments may be made.

Marketing Orders

1. Added the following commodities to those for which marketing orders may be issued:

(a) Apples produced in Maryland, New Jersey, Indiana, California, Michigan, New York, Maine, New Hampshire, Vermont, Massachusetts, Rhode Island, and Connecticut.

(b) Apples for canning or freezing produced in all of the States named above and products of apples produced in those States, except canned or frozen products. Orders applicable to apples for canning or freezing would be subject to the same processor approval required for cherries or cranberries for canning or freezing.

(c) Peanuts, but no peanut products.

(d) Retained marketing authority for tobacco.

The law repealed the marketing order authority for soybeans and extended the marketing order authority to the following commodities (but not their products); cherries and cranberries for canning or freezing, turkeys, turkey hatching eggs, and all other agricultural commodities not specifically covered or excepted.

Commodities specifically excepted are honey, cotton, rice, wheat, corn, grain, sorghums, oats, barley, rye, sugarcane, sugarbeets, wool, mohair, livestock, soybeans, cottonseed, flaxseed, poultry (other than turkeys), eggs (other than turkey hatching eggs), fruits and vegetables for canning or freezing (other than those specifically covered), and apples (other than those specifically covered).

Section 8(e) of the law was amended relating to marketing orders to prohibit the importation of oranges, onions, walnuts, and dates (other than dates for processing) which do not meet the grade, size, quality, or maturity requirements of orders applicable to the domestic commodities.

Wool Act Extension

Extended the Wool Act for 4 years.

Public Law 480

1. Authorized the use of foreign currencies for dollar sales to American tourists.

2. Required 5 percent of the proceeds of title I sales in each year to be set aside in amounts and kinds of foreign currencies specified by the Secretary of Agriculture for agricultural market development and required such amount of sale and loan proceeds as the Secretary determines necessary, but not less than 2 percent, to be convertible into currencies of other foreign nations which are or may become dollar markets.

Agricultural Credit

1. Provided for a $60,000 indebtedness limit on Farmers Home Administration farm real estate loans.

2. Limited indebtedness of associations for soil and water conservation loans to $500,000 in the case of direct loans and $1 million in the case of insured loans.

3. Provided for a $35,000 indebtedness limit on operating loans.

4. Authorized loans to soil conservation districts for purchase of conservation equipment.

5. Made clear that claims referred to the Attorney General may be compromised.

6. Prohibited exercise of the Farmers Home Administration authority to borrow from the Treasury unless authorized "in appropriation acts."

General Provisions

1. Authorized a 5-year extension of the school milk program with no limitations on amount, and to be paid for by direct appropriations.

2. Extended the Veterans' Administration and Armed Forces milk program 3 years, to 1964, with CCC furnishing the funds.

Congress flatly rejected the Kennedy administration's revolutionary farm legislative proposals. Practically all of the administration's plan suffered defeat. These proposals, which would have stripped the elective representatives in Congress of considerable right to determine directly the needs of the agricultural industry, were as follows:

A proposal which would have permitted farmer advisory committees to dray up their own commodity support programs for submission to Congress if approved by the Secretary of Agriculture. Congress could then have vetoed them or let them take effect in 60 days, without amendment. This would have stripped the Congress of its constitutional right to legislate.

An administration request for national marketing agreements and orders and the authority to set up production allotments under marketing orders if approved by producers.

Secretary Freeman expressed two views after passage of this act. Once he admitted the administration's failure when he remarked after the signing of the bill that he was "disappointed" that it did not include key administration requests to "enable farmers to adjust their production and marketing more effectively on a long-term basis." Later, he did a complete turnabout and tried to give the administration credit by claiming the act "as the most constructive and promising farm legislation in many years."

In fact, the administration's original farm plan was completely "gutted."

Amendment to farm credit laws

(Public Law 87–343. Approved October 3, 1961)

This law (S. 1927) amended the Federal Farm Loan Act and the Farm Credit Act of 1933 to improve the lending service and other operations of the cooperative system of associations and banks which are regulated by the Farm Credit Administration. The amendments, largely of a technical nature, concerned the Federal land banks, the Federal intermediate credit banks and production credit association, and the banks for cooperatives.

Extension of Mexican farm labor program

(Public Law 87–345. Approved October 3, 1961)

This law (H.R. 2010) extended for 2 years the program under which American farmers were permitted to hire Mexican nationals as temporary, seasonal workers when domestic help was not available. This law amended title V of the Agricultural Act of 1949, as amended, by further refining the regulations governing the Mexican farm labor program.

This legislation was the subject of extensive debate on the floor of the Senate, particularly with respect to the administration position that greater protection should be afforded migratory American farmworkers by the establishment of a minimum wage in this field. This position was not sustained by the Congress.

ATOMIC ENERGY

Amendments to Atomic Energy Act and Euratom Cooperation Act

(Public Law 87–206. Approved September 6, 1961)

This law (H.R. 8599) amended existing atomic energy legislation including the Atomic Energy Act of 1954, as amended, and the Euratom Cooperation Act of 1958.

These amendments were either technical or updated the act. Included were amendments involving procedures with respect to inventions, patents and patent rights, access to and exchange of restricted data, annual congressional hearings, damages arising out of programs, and claims settlement.

Authorizing funds for the Atomic Energy Commission

(Public Law 87–315. Approved September 26, 1961)

This law (H.R. 7576) authorized appropriations of $270,440,000 to the Atomic Energy Commission to provide for, among other things, construction of production and weapon facilities, research and development facilities, and power generation assistance projects. The law extended the date for approving proposals under the cooperative power reactor demonstration program for 1 year to June 30, 1962. As finally enacted, a controversial provision for production of electric energy at the Hanford, Wash., reactor was omitted.

The proposed conversion of the Hanford reactor to steam generating facilities, which had the unqualified support of the administration, would have added an additional $95 million to the authorization. Its inclusion would have been a first step in the creation of a gigantic nationalized power grid and would have placed the Atomic Energy Commission in direct competition with the public utilities. The provision passed the Senate and Senate conferees held out at length for its acceptance by the House. Members of the House, however, including many Representatives of the Pacific Northwest, were not persuaded to favor this uneconomical, low-efficiency project.

Those who advocated the Hanford project, including the administration, finally had to give up in defeat.

CIVIL AND POLITICAL RIGHTS

District of Columbia election law

(Public Law 87–389. Approved October 4, 1961)

This law (H.R. 8444) amended Public Law 376 of the 84th Congress and implemented the 23d amendment to the Constitution, which provided the vote for residents of the District of Columbia in electing the President and Vice President of the United States. It established the minimum voting

age at 21 and the minimum residency at 1 year.

CIVIL SERVICE

Making permanent certain increases in civil service annuities

(Public Law 87–114. Approved July 31, 1961)

This law (H.R. 5432) made permanent certain increases in annuities payable from the civil service retirement and disability fund, approved June 25, 1958 (72 Stat. 219; Public Law 85–465).

Increasing Federal employees per diem rates for official traveling

(Public Law 87–139. Approved August 14, 1961)

This law (H.R. 3279) increased the maximum rates of per diem allowances for employees of the Federal Government traveling on official business from $12 to $16.

Other principal increases included:

1. Maximum allowance for official travel authorized on an actual expense basis from $25 to $30 per day.

2. Maximum allowance for use of privately owned automobiles or airplanes from 10 cents to 12 cents per mile.

3. Maximum allowance for use of privately owned motorcycles from 6 cents to 8 cents per mile.

4. Allowance of reimbursement on actual expense basis up to $10 in excess of normal per diem allowance established in a given country for employees traveling outside the continental United States or Alaska when authorized due to unusual circumstances.

5. Raising the authorized maximum per diem of certain State Department advisory committees to the same rate applicable to other Federal employees.

6. Addition of parking fees when incurred in official status as an item of expense for reimbursement.

7. Transferral of the President's authority now vested in the Bureau of the Budget to establish per diem rates outside the continental United States.

8. Preservation of the status of Alaska and Hawaii that existed prior to their obtaining statehood in areas in which travel allowance would be fixed on the basis of cost.

Defense of suits against Federal employees

(Public Law 87–258. Approved September 21, 1961)

This law (H.R. 2883) amended title 28 ("Judiciary and Judicial Procedure"), United States Code, to provide a method for assumption by the Federal Government of responsibility for claims for damages against its employees arising from the operation by them of vehicles in the scope of their employment.

Salary protection for classified and postal field service employees

(Public Law 87–270. Approved September 21, 1961)

This law (H.R. 7043) would extend to employees in the postal field service the same salary retention protection in cases of reduction in grade as was provided employees under the Classification Act of 1949 since 1956; would validate certain statutory salary increases made pursuant to Civil Service Commission regulations but ruled not proper by the General Accounting Office; and would make ineligible for salary retention protection certain employees whose reduction in grade resulted from a temporary promotion to a higher grade.

Forfeiture of Federal benefits in cases of offenses involving the national security

(Public Law 87–299. Approved September 26, 1961)

This law (H.R. 6141) amended the act of September 1, 1954 (so-called Hiss Act), to limit to cases involving the national security the prohibition against payment of annuities and retired pay. The Hiss Act had prohibited, also, payment of civilian annuities or military retired pay in cases of conviction of any of a long list of other criminal offenses.

EDUCATION

Federally impacted schools and NDEA extension

(Public Law 87–344. Approved October 3, 1961)

This law (S. 2393) extended the provisions of Public Laws 815 and 874 (relating to Federal assistance in the construction and operation of schools in federally impacted areas) for 2 years to June 30, 1963, and the provisions of the National Defense Education Act of 1958 (otherwise expiring June 30, 1962) for 2 years to June 30, 1964.

When the President signed this law on October 3, he made the statement that he did so with "extreme reluctance." That statement was a dead giveaway of what the administration had tried to do with the extension of the Federal aid to impacted school areas legislation.

They had wanted this extension for only a 1-year period, for obvious reasons. If they had succeeded in getting only a 1-year extension, then another extension would have been necessary during the next session of Congress—an election year. At that time, they planned to use this legislation as "bait" or blackmail to force the enactment of the President's general Federal aid to education program—which did not even get off the ground during this session.

As it was, and as the President indicated by his "extreme reluctance" comment, the administration failed in this highhanded maneuver. The extension was made for 2 years, eliminating the chance to use federally impacted areas as a lever to bring about the socialization of education in this country.

Also, something else should be noted about this extension.

News stories about the passage of this legislation read as follows:

President Kennedy's Senate lieutenants moved * * * to salvage the bare bones of his education program and put off until next year his broader school-aid proposals.

The Democratic leader called for debate "on legislation to extend impacted areas aid to school districts crowded by children of Federal workers and military personnel."

This was actually a belated reversal of an entirely different position taken by the Democratic leadership. Republican Members of the Senate had attempted previously on three different occasions to extend aid to impacted school districts. It was President Kennedy's party in the Senate which succeeded in defeating these extensions.

The original recommendation by the President would have decreased the authorization for these laws by half.

It was the Republican Members, joined with some from across the aisle, who brought about the extension of these laws, and not, as news stories went, that the Democratic leadership was salvaging part of the President's program.

Notable also is the fact that the extension of 2 years instead of 1 year proposed by the administration came about through Republican support.

How odd to be told of the need for forward planning and future programming in the extension of financial aid abroad, only to have that necessity vigorously denied by the same administration spoksemen when it was a matter of extension of financial aid to our own children.

FINANCE AND TAXATION

Railroad loan guarantee authority extension

(Public Law 87–16. Approved April 1, 1961)

This law (H.R. 1163) amended section 510 of the Interstate Commerce Act so as to extend for 15 months to June 30, 1963, the loan guarantee authority of the Interstate Commerce Commission which expired on March 31, 1961.

Study on amendment of Public Law 86–272 relating to State taxation of interstate commerce

(Public Law 87–17. Approved April 7, 1961)

This law (H.R. 4363), to amend Public Law 86–272 relating to State taxation on interstate commerce, broadened the congressional study of State powers to tax concerns in interstate commerce by authorizing the House Judiciary Committee and the Senate Finance Committee, separately or jointly, to make full and complete studies of all matters pertaining to the taxation of interstate commerce by the States, territories, and possessions of the United States, the District of Columbia, and the Commonwealth of Puerto Rico.

Exemption from tax income derived by a foreign central bank of issue from obligations of the United States

(Public Law 87–29. Approved May 4, 1961)

This law (H.R. 5189) amended the Internal Revenue Code of 1954 to exempt from tax income derived by a foreign central bank of issue from obligations of the United States by not including such sums in gross income unless such obligations are held for or used in connection with the conduct of commercial banking functions or other commercial activities.

This could not be considered an accomplishment of the New Frontier. In fact, it could not even be considered an original idea of the New Frontier. Although the measure had been recommended by the Kennedy administration to ease the drain on U.S. gold reserves, they had obtained the idea from the Eisenhower administration, which had originally come forth with the recommendation.

Acceptance of gifts to be used to reduce public debt

(Public Law 87–58. Approved June 27, 1961)

This law (H.R. 311) specifically authorized the Secretary of the Treasury and the Administrator of General Services to accept gifts of money or other property which are made to the Government on the sole condition that they are to be used for the reduction of the public debt.

Old series currency adjustment

(Public Law 87–65. Approved June 30, 1961)

This law (S. 1619) adjusted the accounts of old series currency in the Treasury Department in order to permit the Treasury to make a bookkeeping entry of the fact that $410 million of old currency was unaccounted for and from evidence that at least $100 million had been destroyed. This action relieved the Government from paying interest and releasing the gold and silver redemption fund for this $100 million for which the Government was paying interest at the rate of 3 to 4 percent.

Extension of debt limit

(Public Law 87–69. Approved June 30, 1961)

This law (H.R. 7677) increased the national debt ceiling from its permanent $285 billion level to $298 billion during fiscal year

1962. The ceiling was scheduled to drop to the permanent level July 1, 1961.

In spite of the oft-repeated intention to achieve a balanced budget, huge domestic expenditures made it necessary for the administration to request another temporary extension of the debt limit. It now stands at an alltime high. The new ceiling is $5 billion above the temporary extension which expired June 30, 1961.

There are grave fiscal implications involved in the compulsive and unrestrained spending practices of the Kennedy administration, practices which have changed surpluses to deficits and abandoned any semblance of concern for a balanced budget. The administration has vainly attempted to substitute bigger Government spending for effective leadership as it has temporized with crises at home and abroad. A record peacetime debt ceiling is the result after only 8 months, with more than 3 years yet to go.

Excise, corporate tax extension

(Public Law 87–72. Approved June 30, 1961)

This law (H.R. 7446) extended for 1 year, until July 1, 1962, the present taxes on corporations, new cars, auto parts, liquor, cigarettes, telephone calls, and travel.

The corporate income tax remained at 52 percent. The law continued the following excise taxes imposed during the Korean war: Distilled spirits, $10.50 a proof gallon; beer, $9 a barrel; cigarettes, 8 cents a pack; passenger cars, 10 percent; auto parts and accessories, 8 percent; general telephone service, 10 percent; transportation of persons, 10 percent.

On April 20, President Kennedy sent to the Congress a message recommending changes in the Federal tax system, pending a long-range tax reform. The message was broken down into five major categories: First, tax incentive for modernization and expansion; second, tax treatment of foreign incomes; third, correction of other structural defects; fourth, improvements in tax administration machinery; and fifth, excise tax and corporate income tax rate extension. The latter was taken care of under the public law listed above, and was the only portion of the message that met with success during this session of Congress.

And it should be noted that this extension was another example of a recommendation which had been borrowed from the Eisenhower administration. Its enactment was merely carrying out what Eisenhower had asked for.

The House Ways and Means Committee handed the President a direct slap in the face on the rest of his tax proposals. After spending a major part of this session on consideration of the President's tax proposals, that committee postponed action on his recommendations until next session.

This decision stemmed from the fact that the initial Treasury recommendations were not thought out in sufficient detail and were not based on thorough study. During the hearings the Treasury repeatedly reversed itself and it was not hard to see that the Treasury had no informed policy which could stand up under committee examination.

In other words, the President's tax proposals were such a mess that, no matter how much time the Ways and Means Committee spent on trying to untangle them, its efforts were to little avail. The Treasury did not know what it was talking about, so how could the House committee come to any decision?

Even the President's calling the Democratic members of the committee to a secret meeting at the White House did not get the President's proposals reported out this session.

Perhaps the administration needs to do one of two things—either change its economic policies, or get a complete new set of tax advisers who know what they are doing in the Treasury.

Maybe they need to do both.

GOVERNMENT

Creation of joint committee to commemorate the 100th anniversary of the 1st inauguration of Abraham Lincoln

(Public Law 87–1. Approved March 1, 1961)

House Joint Resolution 155 created a joint committee to commemorate the 100th anniversary of the 1st inauguration of Abraham Lincoln.

Authorization for distribution of copies of the Congressional Record to former Members of Congress

(Public Law 87–2. Approved March 21, 1961)

S. 451 authorized distribution of copies of the CONGRESSIONAL RECORD to former Members of Congress.

Restoring the military rank of General of the Army to former President Eisenhower

(Public Law 87–3. Approved March 22, 1961)

S. 1173 restored the military rank of General of the Army to former President Eisenhower on the active list with his former date of rank in such grade without, however, entitling him to the pay or allowances of General of the Army. It authorized the Secretary of Defense to assign military assistants to General Eisenhower as General of the Army. It also authorized the Administrator of General Services under section (b) of the act of August 25, 1958 (Public Law 85–745) to reduce the sum to provide an office staff for a former President of the United States by the sum of pay and allowances of any such military assistants so assigned. Provision was made that nothing contained in the law will affect or limit the benefits provided the widow of any former President under the act of August 25, 1958 (Public Law 85–745).

Supplemental appropriations for fiscal 1961

(Public Law 87–14. Approved March 31, 1961)

This law (H.R. 5188) provided $1.69 billion in supplemental appropriations for the following major departments and agencies for fiscal year ending June 30, 1961:

Department of Agriculture	$127,943,000
Department of Commerce	9,313,000
Department of Defense	286,900,000
Executive Office of the President and Development Loan Fund	51,732,000
Department of Health, Education, and Welfare	133,156,500
Independent Offices	196,948,650
Department of the Interior	21,246,000
Department of Justice	15,880,000
Department of Labor	527,315,500
Department of the Treasury	36,097,000

Renewal of reorganization authority

(Public Law 87–18. Approved April 7, 1961)

This law (S. 153) further amended the Reorganization Act of 1949, as amended, so that such an act would apply to reorganization plans transmitted by the President to the Congress at any time before June 1, 1963.

President Kennedy met defeat this session on his plans to reorganize the Federal Communications Commission and the Securities and Exchange Commission.

The House killed the FCC reorganization plan by a lopsided vote of 323 to 77 on June 15. The Senate rejected the SEC reorganization by a vote of 52 to 38 on June 21.

The plans were defeated on the grounds that, in some instances, they provided for excessive delegation of powers to lower echelon officials and in other cases they concentrated too much authority in the hands of the agency chairman. Overall effect of the plans, opponents charged, would be to deny litigants many of their legal rights and to put independent Government agencies under White House domination and control.

Clarification of membership, functions, and responsibilities of the National Aeronautics and Space Council

(Public Law 87–26. Approved April 25, 1961)

This law (H.R. 6169) amended the National Aeronautics and Space Act of 1958, replacing the President by the Vice President as Chairman of the Council. It also repealed the existing authority of the President to appoint a member from the Federal departments and agencies of the Government and three members from civilian life and, instead, in addition to the Vice President, the Council would be composed of the Secretary of State, the Secretary of Defense, the Administrator of the National Aeronautics and Space Administration, and the Chairman of the Atomic Energy Commission. It authorized any member, in the case of unavoidable absence, to designate another officer of his department or agency as his alternate provided the alternate holds an office in the Federal Government to which he was appointed with the advice and consent of the Senate or his service as an alternate is with the advice and consent of the Senate.

Appointment of additional circuit and district judges

(Public Law 87–36. Approved May 19, 1961)

This law (S. 912) provided for creating 73 new judgeships of which 10 were new circuit judgeships, 61 permanent district judgeships, and 2 temporary district judgeships.

Since 1954, the Democratic congressional leadership had refused, for political purposes, to permit a judgeship bill to be brought up for a vote. The Eisenhower administration time and again pressed for action in the Congress. The need for additional judges was becoming critical. During the 2d session of the 86th Congress, President Eisenhower offered to appoint new judges on a 50–50 basis—half Republicans, half Democrats. Still no action was taken in the Democratic-controlled Congress.

After the Democrats won control of the White House, however, things changed. The Kennedy administration's first request, made 3 weeks after the inauguration of President Kennedy, was for a judgeship bill. It was acted upon with great haste, and in less than 3 months this bill, creating new judgeships to alleviate the congestion in our Federal courts, became law.

As the chairman of the House Judiciary Committee said, the Democrats gambled and won. As a result they handed the President's brother, the At-

torney General, one of the biggest political plums to be doled out in this country.

Indian Claims Commission extension

(Public Law 87–48. Approved June 16, 1961)

This law (S. 751) extended the existence of the Indian Claims Commission for 5 years from and after April 10, 1962, or at such earlier time as the Commission shall have made its final report to the Congress on all claims filed with the Commission. Upon the dissolution of the Commission, the records of the Commission shall be delivered to the Archivist of the United States.

Fourth supplemental appropriations for fiscal 1961

(Public Law 87–74. Approved June 30, 1961)

This law (H.R. 7712) provided for $47,214,000 of additional funds for fiscal year 1961. Funds were provided for—

(1) Department of Defense (military), for retired pay, $14,500,000.

(2) Department of Justice, for support of U.S. prisoners, $405,000.

(3) Department of State, for contributions to international organizations, $32,204,000.

(4) Treasury Department, for salaries and expenses, $105,000.

National Aeronautics and Space Administration authorization

(Public Law 87–98. Approved July 21, 1961)

This law (H.R. 6874) authorized $1,784,300,000 for the National Aeronautics and Space Administration for fiscal year 1962 for salaries and expenses, research and development, construction of facilities, and other purposes.

Legislative branch appropriations for fiscal 1962

(Public Law 87–130. Approved August 10, 1961)

This law (H.R. 7208) made appropriations in the amount of $135,432,065 for the legislative branch for fiscal year 1962.

The Senate total was $28,421,840; the House, $47,856,835.

Among other agencies included in this law were the Library of Congress and the Office of the Architect of the Capitol.

Independent offices appropriations for fiscal 1962

(Public Law 87–141. Approved August 17, 1961)

This law (H.R. 7445) made appropriations of $8,966,285,000 for the various independent executive offices for fiscal year 1962.

Among items included were:

Veterans' Administration: $4,889,270,500 (more than one-half the total.)

National Aeronautics and Space Administration: $1,671,750,000 (about one-fourth earmarked for moon exploration program).

General Services Administration: $568,904,500 (a large portion to be used for construction of new Federal buildings in various locations).

Federal Aviation Agency: $724,800,000.

Housing and Home Finance Agency: $427,843,000.

National Science Foundation: $263,250,000.

Authorizing funds to reimburse Commodity Credit Corporation

(Public Law 87–155. Approved August 17, 1961)

This law (S. 763) repealed the requirement for annual appraisal of assets and liabilities of the Commodity Credit Corporation by the Secretary of the Treasury. The law authorized payment on the basis of the financial statements of CCC, subject to audit by the General Accounting Office, for net realized losses sustained during any fiscal year.

Treasury-Post Office Department appropriations for fiscal 1962

(Public Law 87–159. Approved August 21, 1961)

This law (H.R. 5954) made appropriations of $5,298,765,000 for the Department of the Treasury, the Post Office Department, and the Tax Court of the United States for fiscal year 1962.

The Treasury Department total was $928,515,000. Of that amount $452 million was for the Internal Revenue Service (1961 appropriation, $413.9 million).

The Post Office Department total was $4,368,500,000.

The Tax Court total was $1.75 million.

In connection with the Post Office Department, one defeat might be called by some a victory for the Kennedy administration. In his message to Congress March 24, on the budget and fiscal policy, the President stated with reference to an increase to postal rates:

The January budget submitted by my predecessor called for an additional $843 million in postal revenues to eliminate the deficit in that Department's operations. Such an increase must be effective July 1 to close the gap between postal expenditures and postal revenues * * *. I urge the Congress to close this gap * * *.

Subsequently, an open rule was granted by the Rules Committee of the House of Representatives to consider postal rate increases—legislation having been submitted and hearings held in the House. This means that the House as a whole could amend the bill in any way it saw fit. Administration representatives intervened and requested a closed rule, which, in effect, would prevent any amendments to the bill. This gag rule was granted. The bill came to the floor the following day under the rule which prevented any Member of the House from offering any amendment. Representative BROWN, Republican, Ohio, and and Representative COLMER, Democrat, Mississippi, opposed the granting of a closed rule, citing the right of the House to amend the bill in any way it saw fit and, by a vote of 142 yeas to 222 nays, the gag rule was defeated. The administration refused to bring the postal rate bill to the floor of the House under an open rule for fear it would be amended to such a point that it would be unacceptable by reason of increase in rates for second and third class mail. Therefore, no postal rate increase bill received consideration by the Congress.

Continuing appropriations for fiscal 1962

(Public Law 87–182. Approved August 30, 1961)

This law (H.J. Res. 544) amended clause (c) of section 102 of the joint resolution of June 30, 1961 (Public Law 87–65), by striking out "August 31, 1961," and inserting in lieu thereof "September 30, 1961." This enabled continuing appropriations for the fiscal year 1962.

Also the law amended subsection (b) of section 101 of Public Law 87–65 by increasing the following appropriations: (1) Administrative expenses for area redevelopment programs from $400,000 to $600,000; (2) mutual security programs from $485 million to $665 million; and (3) payment to the Federal extended compensation account from $45 million to $70 million.

Communications Act of 1934 amendments

(Public Law 87–192. Approved August 31, 1961)

This law (S. 2034) provided (in lieu of rejected Reorganization Plan No. 2 concerning FCC)

(1) Authority for the Commission to delegate certain of its functions to a panel of Commissioners, an individual Commissioner, an employee board, or an individual employee, provided that any such delegating authority shall not be rescinded without a vote of a majority of the members of the Commission then holding office;

(2) That any order, decision, report, or action made by such delegation shall be enforced in the same manner as any other action of the Commission;

(3) That every application of a person aggrieved by any such delegated decision shall be passed upon by the Commission;

(4) That the Commission may deny the application for review without saying why;

(5) That, if the Commission grants a review, it may set aside any past action or may order a rehearing; and

(6) That any employee to whom the Commission may delegate review functions in any case of adjudication shall be qualified by training, experience, and competence to perform such review duties.

Securities Exchange Act of 1934 amendment

(Public Law 87–196. Approved September 5, 1961)

This law (H.J. Res. 438) amended the Securities Exchange Act of 1934 so as to authorize and direct the Securities and Exchange Commission to conduct a study and investigation of the adequacy, for the protection of investors, of the rules of national securities, exchanges, and national securities associations. The results of such a study shall be reported to the Congress on or before January 3, 1963. There was authorized to be appropriated the sum of $750,000 to carry out such a study and investigation.

Prohibiting transmission of bets by wire communications

(Public Law 87–216. Approved September 13, 1961)

This law (S. 1656) amended chapter 50 ("Gambling") of title 18, United States Code (with respect to the transmission of bets, wagers, and related information), to assist the States in the enforcement of their laws pertaining to gambling, bookmaking, and like offenses, and to aid in the suppression of organized gambling activities, by prohibiting the use of wire communication facilities which are or will be used for the transmission of bets or wagers and gambling information in interstate and foreign commerce, subject to a penalty of not more than $10,000 or imprisonment for not more than 2 years or both.

Prohibiting interstate transportation of wagering paraphernalia

(Public Law 87–218. Approved September 13, 1961)

This law (S. 1657) amended chapter 95 of title 18, United States Code, to combat interstate crime and to assist the States in the enforcement of their criminal laws by prohibiting, subject to a fine of not more than $10,000 or imprisonment for not more than 5 years, or both, the transportation in interstate and foreign commerce of wagering paraphernalia.

Prohibiting travel or transportation in aid of racketeering enterprises

(Public Law 87–228. Approved September 13, 1961)

This law (S. 1653) amended chapter 95 of title 18, United States Code, to prohibit

travel or transportation in aid of racketeering enterprises, subject to a fine of not more than $10,000 or imprisonment for not more than 5 years or both.

Interstate Commerce Commission authority to delegate to employee boards

(Public Law 87-247. Approved September 14, 1961)

This law (H.R. 8033) amended section 17 of the Interstate Commerce Act so as to authorize the delegation of certain duties to employee boards. Under previous law every case in which a hearing had been held and exceptions to a recommended order had been filed, the matter had to go to the Commission, or to a division of the Commission, for a decision. This law would permit the Commission to delegate to employee boards the function of reviewing recommended orders entered in cases in which hearings had been held.

This legislation effects a form of procedural reorganization within the ICC by statute rather than by reorganization plan.

State-Justice Department appropriations for fiscal 1962

(Public Law 87-264. Approved September 21, 1961)

This law (H.R. 7371) made appropriations of $756,422,550 for the Departments of State and Justice, the judiciary, and related agencies for fiscal year 1962.

Of this total appropriation, the State Department total was $269,717,000, the Justice Department total was $294,489,900, the judiciary total was $54,777,650, the U.S. Information Agency total was $136,550,000, and the Commission on Civil Rights total was $888,000.

The Civil Rights Commission, due to expire 60 days after its final report was due September 9, 1961, was extended for 2 years to September 30, 1963.

Candidate Kennedy and the 1960 Democratic platform made glowing promises on just about every phase of the many-faceted subject of civil rights. The 2-year extension of the Civil Rights Commission, however, was the only fragment passed in this session of Congress. A great volume of legislation introduced was bottled up in the Democratic-controlled committees of the Congress. Vigorous Republican efforts to secure action were thwarted.

District of Columbia appropriations for fiscal 1962

(Public Law 87-265. Approved September 21, 1961)

This law (H.R. 8072) made appropriations of $32,753,000 for the District of Columbia for fiscal year 1962.

Juvenile Delinquency Act of 1961

(Public Law 87-274. Approved September 22, 1961)

This law (S. 279) established a grants-in-aid program involving demonstration and study projects, personnel training, and technical assistance to local, State, and private agencies in the field of juvenile delinquency. It authorized appropriations of $10 million annually for 3 years beginning with the fiscal year ending June 30, 1962.

Labor Department and Health, Education, and Welfare Department appropriations for fiscal year 1962

(Public Law 87-290. Approved September 22, 1961)

This law (H.R. 7035) made appropriations of $4,915,965,000 for the Department of Labor, the Department of Health, Education, and Welfare, and related agencies for fiscal year 1962.

The Labor Department total was $629,350,000.

The total for the Department of Health, Education, and Welfare was $4,260,429,000, of which the National Institutes of Health total was $738,335,000.

Among the related agencies for which appropriations were included in this law were the National Labor Relations Board, the National Mediation Board, and the Railroad Retirement Board.

Telecasting of professional sports contests

(Public Law 87-331. Approved September 30, 1961)

This law (H.R. 9096) amended the antitrust laws to authorize pooling of sponsored telecasting by a professional football, baseball, basketball, or hockey league and to permit each league to sell pooled rights to a television network without violating the antitrust laws, provided such sale does not impair college football gate receipts through network telecasts of professional football contests at times when college games are normally played.

Supplemental Appropriation Act of fiscal 1962

(Public Law 87-332. Approved September 30, 1961)

The following allocation of funds for fiscal 1962 was provided under this law (H.R. 9169):

Department of Agriculture	$16,520,000
Department of Commerce	221,353,136
Department of Defense (civil functions)	5,000,000
Department of Defense (military)	40,150,000
Department of Health, Education, and Welfare	253,579,000
Executive Office of the President	560,000
Funds appropriated to the President (disaster relief)	15,000,000
Independent offices	487,639,000
Department of the Interior	17,175,000
Department of Justice	985,000
Department of Labor	14,429,000
Department of State	10,482,150
Treasury Department	675,000
The Judiciary	3,115,000
Legislative branch	821,150
Claims and judgments	37,850,905
Total	1,124,983,341

The law contained House-sponsored amendments providing that no part of the funds included in the measure shall be used for administrative expenses in connection with loans to be financed with funds borrowed from the Treasury for the following programs: area redevelopment, mass transportation loans and grants, open space land grants, and low-income housing demonstration grants.

These amendments constituted a stunning defeat for the administration with respect to its sponsorship of back-door financing, particularly since in each of the four above-mentioned programs back-door financing had been authorized earlier in separate legislative enactments.

False bomb information

(Public Law 87-338. Approved October 3, 1961)

This law (H.R. 6834) amended section 35 of title 18, United States Code, to increase penalties in certain cases for imparting false bomb information by (1) making it a misdemeanor knowingly (but without malice) to impart or convey such false information, subject to a penalty of not more than $1,000, or imprisonment for not more than 1 year, or both; and by (2) making it a felony to convey such false information willfully and maliciously or with a reckless disregard for human life, subject to a penalty of not more than $5,000, or imprisonment for not more than 5 years, or both.

Amending Federal Firearms Act

(Public Law 87-342. Approved October 3, 1961)

This law (S. 1750) strengthened the Federal Firearms Act, which prohibited the shipment of firearms in interstate or foreign commerce to or by persons under indictment or convicted of certain specific crimes of violence, by striking out "crimes of violence" and inserting "crime punishable by imprisonment for a term exceeding one year" (Federal standard of a felony). The penalty of not more than $2,000, or imprisonment for not more than 5 years, or both, remained the same.

Amending Foreign Agents Registration Act to broaden coverage

(Public Law 87-366. Approved October 4, 1961)

This law (H.R. 470) amended the Foreign Agents Registration Act to broaden the definition of "foreign principal" under the act to include domestic organizations which are substantially "supervised, directed, controlled, or financed" by a foreign government or foreign political party. This law also further refined criteria for commercial exemptions under the act by providing that a foreign principal, in order for its agents to be eligible for exemption from registering under the act, must be engaged in activities which are either private and nonpolitical and financial, or private and nonpolitical and mercantile.

Extending the application of U.S. espionage laws outside the jurisdiction of the United States

(Public Law 87-369. Approved October 4, 1961)

This law (H.R. 2730) extended the application of chapter 37 of title 18, United States Code, relating to espionage and censorship, to acts committed anywhere in the world by repealing section 791 of title 18. Under that section the provisions of chapter 37 had applied only within the admiralty and maritime jurisdiction of the United States, on the high seas, and within the United States.

HOUSING

Interim increase in FHA mortgage insurance authorization

(Public Law 87-88. Approved May 25, 1961)

This law (S.J. Res. 89) granted to the Federal Housing Administration an additional $1 billion mortgage insurance authority by amending section 217 of the National Housing Act, as amended, and increasing this authority from $15 billion to $16 billion.

Housing amendments of 1961

(Public Law 87-70. Approved June 30, 1961)

This law (S. 1922) authorized and expanded the housing program by providing for urban renewal, $2 billion; college housing loans, $1.2 billion; community facilities loans, $500 million; farm housing loans, $407 million ($200 million in new funds in addition to $207 million existing authorization); "open space" grants, $50 million; housing for the elderly direct loans, $75 million; urban renewal planning grants, $55 million.

The major provisions of the law were:

Title I—New Housing Programs

1. Limited-interest loans (5 to 6 percent), made to commercial developers, for construction or rehabilitation of both sales and rental housing for moderate-income families.

2. Forty-year, no-downpayment loans for the rental program.

3. Maximum term for new single-family sales housing was 35 years, except term may be extended to 40 years in hardship cases.

4. Maximum term for existing sales housing was 30 years.

5. Downpayment fixed at 3 percent, including closing costs, on a maximum mortgage of $15,000 in high-cost area.

6. A 3-percent downpayment and a 35-year term was provided for two-, three-, and four-family units to be sold to families displaced by urban renewal or other governmental action.

7. FHA authority to contract for new guarantees under this program was limited to July 1, 1963.

8. Forty-year, no-downpayment loans (at below-the-market-rate interest) were provided for nonprofit organizations and public agencies, for construction and rehabilitation of five-family or larger rental dwellings for moderate-income families with guarantees under this program limited to July 1, 1963.

9. Twenty-year, limited-interest (6 percent maximum) loans were provided for improvement of existing dwellings within urban-renewal areas or one- to four-family dwellings outside such areas. Loans may be as high as $10,000 per family unit.

10. Regular mortgage loans may be made on housing incorporating new and advanced designs and techniques.

11. Loans on apartments in a multifamily dwelling that are individually owned and have individual mortgages were permitted.

Title II—Elderly and Public Housing

1. Expanded to $125 million the 1959 authorization of a $50 million revolving loan fund to make direct loans to nonprofit groups at below market rate for construction of housing for the elderly.

2. Expanded eligible groups to include consumer cooperatives and public agencies.

3. Authorized the Public Housing Administration to contract for construction by local housing agencies of an additional 100,000 public housing units. (PHA has $336 million available for contracts through previous authorization.)

4. Authorized $5 million for demonstration programs by local housing authorities for experimentation with new methods of providing housing for low-income families.

5. Raised the limit on per room expenditures for public housing for the elderly from $2,500 to $3,000.

Title III—Urban Renewal and Planning

1. Authorized an additional $2 billion in Federal capital grants for urban renewal projects.

2. Authorized $25 million at 3½-percent disaster loans by the Small Business Administration to small businesse forced to vacate by urban renewal project or other governmental action.

3. Permitted local urban renewal agencies to sell land and property to cooperatives, nonprofit organizations, and public agencies who intend to build moderate income rental units on the land.

4. Raised the existing authorization from $20 to $75 million for grants to States and localities for planning various types of urban and small-city rehabilitation projects, and raised the Federal share from one-half to two-thirds of the cost of each planning project. Under this provision, mass-transport studies can be financed and, in addition, it gave States blanket authority in advance to conclude interstate compacts to undertake joint planning projects.

Title IV—College Housing

1. Raised from $1,675 million to $2,875 million (in four steps by July 1, 1964) the Federal revolving fund for low-interest, long-term loans to colleges, universities, and hospitals for construction of housing, and raised the limit on the portion of the fund that can be used for dining halls, student centers, and other nonhousing facilities on college and university campuses and on hospital housing for nurses and interns by $120 million each.

Title V—Community Facilities

1. Raised from $150 million to $650 million the communities facilities loan fund for local water, gas, and sewage plant improvements.

2. Provided $50 million of this increase for low-interest loans to metropolitan agencies for construction of mass-transportation systems, with authority limited to December 31, 1962.

Title VI—National Housing Act Changes

1. Authorized the Federal National Mortgage Association to borrow an additional $750 million from the Treasury for its special assistance program, with an additional $760 million of existing FNMA funds transferred to the program.

2. Expanded the existing home-improvement loan guarantee program for 4 years to October 31, 1965.

3. Increased the terms for regular FHA home mortgage insurance by raising the maximum mortgage maturity for new homes from 30 to 35 years and by lowering the required downpayment for one-family dwellings, but retained the 30-year maturity for resale housing. The new schedule required 3 percent on the first $15,000 valuation of a home, 10 percent on the next $5,000, and 25 percent on anything over $20,000. The maximum mortgage for a one-family home was increased from $22,000 to $25,000 and for two-family dwellings from $25,000 to $27,000.

4. Removed the dollar limit on the number of loans that can be insured by the FHA for all general mortgage insurance programs.

5. Made October 1, 1965, the cutoff date on the FHA's authority to insure new loans.

6. Permitted FHA to reduce its premium on any regular mortgage insurance from one-half to one-quarter of 1 percent.

7. Extended for 1 year, through October 1, 1962, the FHA authority to insure mortgages on housing for military personnel and civilian armed services employees in areas around defense installations (Capehart housing) and on similar housing around National Aeronautics and Space Administration and Atomic Energy Commission installations.

8. Raised from 25,000 to 28,000 the number of housing units that can be built under the Capehart program after June 30, 1959.

Title VII—Open Space Land

1. Authorized $50 million in Federal grants to States and localities to pay up to 30 percent of the cost of acquisition of land in and around urban centers to create open space areas for recreation, conservation, scenic, and historical purposes.

Title VIII—Farm Housing

1. Extended the farm housing program for 4 years, through June 30, 1965, and increased the existing $207 million authorization previously granted in 1956 by $200 million.

Title IX—Miscellaneous

1. Extended the voluntary home mortgage credit program for 4 years, through October 1, 1965.

This law has a unique legislative history in the Democratic-controlled Congress. It is an example of omnibus legislation at its worst. A number of sound, proved housing programs were made hostages to all sorts of unrelated and unsound proposals which could not have been enacted on their own merits. To get a continuation of the former, Congress had to accept the latter. As a result, a considerable number of Senators who had always supported housing bills in the past, voted against the conference report. They had just been lectured to by the President on unnecessary spending programs, and then found that they were expected to support a bill that exceeded by $1 billion the total authorizations requested by that same administration.

The housing bill this year was the great sop to far-out liberals. They were allowed to play with it and insert any and all expensive plans they had been toying with for a number of years. In a sense, it was a sort of psychiatric treatment—they could get rid of their frustrations and inhibitions in this bill. It may have saved them from a crackup, since the Kennedy administration deliberately refused to carry out any of its promises with reference to civil rights or immigration reform.

The result, however, will be an enormously expensive housing program, not only because of the swollen authorizations, but also because of new programs which will inevitably grow and grow in years to come. The genetics of this kind of legislation is such that old programs never die, they simply get bigger and bigger.

During the consideration of this bill in the Senate, the administration nearly suffered a first-class spanking. One of the heralded new features of the bill was a so-called moderate-income housing program, calling for 40-year, no-downpayment loans up to $15,000 for single-family housing. It would mean that almost 20 years would have to pass before the buyer built up a 6-percent equity. So unsound did this proposal appear that it was eliminated on the floor by a bipartisan vote. Enormous pressure was then brought to bear by administration leaders, and a slightly modified middle-income program was restored to the bill by a very narrow margin of victory.

The conference report on this bill adopted the worst features of Senate and House versions of the bill. It was successful because authorizations of the "pork barrel" variety were sharply increased and helped to break down resistance to other parts of the bill about which there was great doubt or suspicion. However, every success has its price, and the price here was the refusal of many Senators hitherto friendly to housing legislation to support such an extreme measure.

Amendment concerning Federal savings and loan insurance corporation

(Public Law 87-210. Approved September 8, 1961)

This law (H.R. 7108) amended the Federal Home Loan Bank Act and title IV of the National Housing Act and was designed to strengthen the Federal Savings and Loan Insurance Corporation which insures savings accounts in savings and loan associations and similar institutions up to a statutory limit of $10,000. Supplemental payments would be required by insured associations in order to build up the Corporation's reserve fund. The law would require insured institutions to pay a premium prepayment equal to 2 percent of the annual net increase of the accounts of their insured members in addition to the usual one-twelfth of 1 percent annual premium and would reduce the home loan bank stock purchase requirement to 1 percent of outstanding home mortgages and other similar obligations.

IMMIGRATION

Amendments to Immigration and Nationality Act

(Public Law 87-301. Approved September 26, 1961)

This law (S. 2237) revived and made permanent the Alien Orphan Adoption Act by

amending the Immigration and Nationality Act so as to provide for the issuance of special nonquota immigrant visas to certain eligible orphans under the age of 14; provided for judicial review of deportation and exclusion orders; authorized acceleration of issuance of visas to aliens on the second and third preference waiting list; lifted the quota ceiling of 2,000 numbers from the Asia-Pacific triangle and provided 100 quota numbers for each country in that area; and made permanent a liberalization of tuberculosis exclusion provisions.

There is no question but that this legislation is a small step forward, and does provide relief in a number of hardship categories. It is, however, a piecemeal correction; that is, just the type of correction that was soundly denounced in the Democratic platform of 1960. That platform made sweeping criticisms of existing immigration laws, and said that sweeping revisions of these laws—as opposed to "piecemeal" changes—could be expected in the event of a Democratic victory.

In addition, the Democratic candidate, Mr. Kennedy, was and is an expert in this field. While a Senator, he had written a handsome booklet which was widely distributed free of charge wherein was set forth our immigrant heritage, and the need for liberalizing the immigration laws. During the 1960 campaign, Mr. Kennedy repeatedly said that he took the platform pledges on immigration reform very seriously, and, if elected, would throw the weight of his office into such an effort. Evidently he developed a sore arm, because nothing remotely resembling what was promised came from the administration during this session, despite the topheavy Democratic majority in both Houses. The President might have started with the Eisenhower proposals laid before Congress in 1953 and several times thereafter, or the reforms proposed by Republicans in both the House and the Senate in accordance with the Republican 1960 platform.

The absolute silence of the administration means that immigration reform will again be what it should not be, a campaign issue raised during election year, and dropped thereafter.

INTERNATIONAL AFFAIRS

Sugar Act extension

(Public Law 87–15. Approved March 31, 1961)

This law (H.R. 5463) extended the Sugar Act of 1948, as amended, for 15 months. It also permitted the President to cut off the 800,000-ton share of the Cuban quota earmarked for the Dominican Republic and it provided that in setting quotas special consideration should be given Western Hemisphere countries buying U.S. farm commodities.

Inter-American social and economic program and Chilean reconstruction program appropriations

(Public Law 87–41. Approved May 27, 1961)

This law (H.R. 6518) made appropriations of $500 million for loans for programs of economic projects intended to improve living standards in Latin America. Of the $500 million, $394 million went into the International Development Bank, $100 million to the International Cooperation Administration, and $6 million to the Organization of American States.

The law also carried an additional $100 million for loans to aid Chile's recovery from earthquake damage.

The law contained a provision that none of the funds could be loaned or reloaned at interest rates considered to be excessive by the Inter-American Development Bank or higher than the legal rate of interest of the country in which the loan was made.

On interest rates on Latin American aid funds, the administration had to settle for less than a complete victory. Here is what happened:

Originally, the administration indicated that it wanted no restrictions on the interest that could be charged to Latin American borrowers of American aid funds—H.R. 6518. The Senate, however, approved the Williams of Delaware amendment providing an 8-percent ceiling. The House refused to accept this amendment. The State Department got hysterical and asked the Senate to back down. The Senate refused, whereupon the House finally agreed to require that money could not be loaned or reloaned at interest rates considered excessive by the Inter-American Development Bank, or at a rate above the legal limit in the country where the loan was made. The Senate finally agreed to this in lieu of the Williams of Delaware 8-percent ceiling. So the administration wound up with some limitations on the interest that could be charged, although originally it apparently sought no restrictions. The principal amount involved here was $500 million.

Office of Internal Travel

(Public Law 87–63. Approved June 29, 1961)

This law (S. 610) provided for the establishment of an Office of International Travel within the Department of Commerce for the purpose of encouraging foreign travel within the United States. The Department of Commerce was authorized to spend up to $4.7 million annually for this purpose except for the first year, beginning July 1, 1961, when a $3 million ceiling would apply.

Establishment of Caribbean Organization

(Public Law 87–73. Approved June 30, 1961)

This law (H.J. Res. 384) dissolved the Caribbean Commission, composed of France, the Netherlands, the United Kingdom, and the United States, and created the Caribbean Organization to be composed of the Caribbean territories of these four countries as a formalization of the growth of the self-governing powers of these dependent territories.

Oil Pollution Act of 1961

(Public Law 87–167. Approved August 30, 1961)

This law (S. 2187) implemented the provisions of the International Convention for the Prevention of Pollution of the Sea by Oil, 1954, by—

(1) Making unlawful the discharge by any person from any ship, which is a tanker, within any of the prohibited zones, of oil or any oily mixture which fouls the surface of the sea; and, the discharge by any person into the sea from a ship, other than a tanker, the same type of polluting substance.

(2) Excepting from prohibition the discharge of such substance for the purpose of securing the safety of the ship, preventing damage to the ship or cargo, or saving life at sea; or the unavoidable escape by leakage of such pollution; or the discharge of sediment which cannot be pumped out because it had become solid or which arises from the purification of oil fuel or lubricating oil, provided the discharge is made as far from land as practicable.

(3) Providing the following penalties for persons who violate the provisions of this act: (a) that such a person is guilty of a misdemeanor; and (b) that, upon conviction, punishment shall be a fine not exceeding $2,500 nor less than $500, or imprisonment for up to 1 year; or both.

(4) Providing that the administration and enforcement of this act shall be under the jurisdiction of the Secretary of the Army.

(5) Providing that the prohibited zones for all ships shall be all sea areas within 50 miles from land, with certain specific exceptions for tankers, and other specific exceptions for ships other than tankers.

International Finance Corporation charter amendment

(Public Law 87–185. Approved August 30, 1961)

This law (H.R. 6765) authorized acceptance of an amendment to the articles of agreement of the International Finance Corporation. Under this law, the U.S. Governor of the Corporation was authorized to agree to an amendment to the charter of the Corporation which authorizes the Corporation to make investments of its funds in capital stock and to limit the exercise of voting rights by the Corporation unless exercise of such rights is deemed necessary by the Corporation to protect its interests.

Foreign Assistance Act of 1961

(Public Law 87–195. Approved September 4, 1961)

This law (S. 1983) authorized a total of $4,253,500,000 for fiscal year 1962 for foreign aid. The total authorization was $11,963,500,000. In addition to fiscal 1962 authorizations, there was $1,700 million authorized for fiscal year 1963 and $6 billion authorized for fiscal years 1963 through 1966. The law's principal provisions included:

(1) Development Loan Fund: (a) The President was authorized to make loans from this Fund payable as to principal and interest in U.S. dollars on such terms and conditions as he may determine. (b) For fiscal year 1962, $1,200 million was authorized to be appropriated, and for the next 4 years, $1,500 million was authorized to be appropriated each year on an annual basis.

The President was authorized to establish an interagency Development Loan Committee which shall, under his direction, establish standards and criteria for lending operations of these funds.

(2) Development grants and technical cooperation: (a) The President was authorized to furnish assistance on such terms and conditions as he may determine to promote the economic development of less-developed friendly countries and areas. (b) For fiscal year 1962, there was authorized to be appropriated to the President $380 million to be available until spent.

(3) Investment guaranties: (a) The President was authorized to issue guaranties of investments in connection with projects, etc., in any friendly country with which such an agreement has been reached. (b) This authority shall continue until June 30, 1964.

(4) Surveys of investment opportunities: (a) The President was authorized to participate in the financing of investment opportunity surveys undertaken by any person on such terms and conditions as he may determine. (b) There was authorized to be appropriated $5 million for fiscal year 1962 for this purpose.

(5) Development research: (a) The President was authorized to use funds made available to carry out programs of research into, and evaluation of, the process of economic development in less-developed friendly countries.

(6) International organizations and programs: (a) The President was authorized to make voluntary contributions on a grant basis to international organizations and to

their programs on his own terms and conditions. (b) There was authorized to be appropriated for fiscal year 1962 for this purpose $153,500,000.

(7) Supporting assistance: (a) The President was authorized to furnish assistance to friendly countries in order to support or promote economic or political stability on his own terms and conditions.

(8) Contingency fund: (a) There was authorized to be appropriated to the President for fiscal year 1962 $300 million for use by the President for assistance when he determines such use to be important to the national interest. (b) The President shall keep the Committee on Foreign Relations and the Committee on Appropriations of the Senate and the Speaker of the House of Representatives currently informed of the use of these funds.

(9) Military assistance: (a) The President was authorized to furnish military assistance on his own terms and conditions to any friendly country or international organization, the assisting of which the President finds will strengthen the security of the United States and promote world peace. (b) There was authorized to be appropriated to the President $1,700 million for fiscal year 1962 and $1,700 million for fiscal year 1963 to be available until spent.

(10) Administrative provisions: (a) The President was authorized to exercise any functions conferred upon him by this act through such agency or officer of the U.S. Government as he shall direct. (b) There was authorized to be appropriated for administrative expenses to the President for fiscal year 1962 the amount of $50 million.

The administration claimed a major victory on this issue. However, in fighting for the 5-year authorization for the Development Loan Fund, to be financed through Treasury borrowing, representatives of the administration bitterly contended that retention of the process of annual appropriations would greatly hinder the new program and would be completely unacceptable. When the final version of the bill was passed, providing for annual appropriations and eliminating all provisions which would have permitted back-door financing, the tune changed and the administration chanted, "wholly satisfactory."

An amendment to the foreign-aid bill providing that no assistance be given an international organization of which Communist China is a member was deleted from the final version.

Another aspect of the foreign-aid program concerned the administration's attempts to liberalize the Battle Act to permit trade with Communist countries. This proposal was high priority on the President's 16-point program for this session. While it was passed by the Senate, no action was taken on the House floor.

(NOTE.—The Senate unanimously adopted a bipartisan resolution (S. Con. Res. 34) expressing the sense of the Congress against the seating of Communist China in the United Nations. The House vote likewise was unanimous. Nevertheless, the speculation in Washington is that, as soon as Congress adjourned and its presence no longer serves as a restraint on the administration, Communist China will be seated in the United Nations.)

Mutual Educational and Cultural Exchange Act of 1961

(Public Law 87-256. Approved September 21, 1961)

The law (H.R. 8666) sought to provide for improvement and strengthening of the international relations of the United States by promoting better mutual understanding among the peoples of the world through educational and cultural exchanges, and was designed to improve the quality and effectiveness of these programs, administered and sponsored by the U.S. Government, especially by consolidating in one act various existing pieces of legislation authorizing such programs.

Among provisions in the law were—

Reaffirmation that all foreign currency utilized would be subject to the appropriations process;

Dollar appropriations would be available until spent;

Liberalization of the Immigration and Nationality Act with respect to families of exchange visitors; and

Liberalization of the Internal Revenue Code with respect to tax on incomes of students and exchange visitors.

Peace Corps Act

(Public Law 87-293. Approved September 22, 1961)

This law (H.R. 7500) provided for a Peace Corps to help peoples of interested countries and areas in meeting their needs for skilled manpower. It made permanent a Peace Corps established earlier by Executive order of the President. It authorized appropriations to the President for fiscal 1962 not to exceed $40 million to carry out the purposes of the act.

Arms Control and Disarmament Act

(Public Law 87-297. Approved September 26, 1961)

This law (H.R. 9118) provided for establishment of a U.S. Arms Control and Disarmament Agency to deal with the problems of limitation, reduction, and control of armaments. It would be a fully staffed independent agency, but subject to the direction of the Secretary of State. The Director, who would serve as the principal adviser to the Secretary of State and the President on arms control and disarmament matters, would be appointed by the President, subject to Senate confirmation, and would receive a salary of $22,500. The law authorized appropriations of not to exceed $10 million, available until expended, to carry out its provisions.

Foreign Assistance Appropriation Act of 1962

(Public Law 87-329. Approved September 30, 1961)

This law (H.R. 9033) appropriated for fiscal 1962 funds in the amount of $4,123,345,000, a decrease from the $4,993,991,000 requested by the President.

The funds were allocated as follows:

Title I:	
1. Economic assistance:	
Development loans	$1,112,500,000
Development grants	296,600,000
Surveys of investment opportunities	1,500,000
International organizations and programs	153,500,000
Supporting assistance	425,000,000
Contingency fund	275,000,000
Administrative expenses	47,500,000
2. Military assistance	1,600,000,000
3. Department of State	3,000,000
Title II: Ryukyu Islands, Army	7,089,000
Title III: Export-Import Bank	[1,300,000,000]
Title IV: Treasury Department	171,656,000
Title V: Peace Corps	30,000,000

Exchange of military atomic energy information with France

(Public Law 87-363. Approved October 4, 1961)

This law (H.J. Res. 569) authorized the United States and France to immediately exchange classified information to permit French military forces to be trained in the employment of and defense against atomic weapons. It also provided for the transfer of nonnuclear parts of atomic weapon systems, but not parts of atomic weapons, to French military forces assigned to NATO.

This law waived the 60-day waiting period (before such agreements take effect) during a congressional session.

LABOR

Temporary Extended Unemployment Compensation Act of 1961

(Public Law 87-6. Approved March 24, 1961)

This law (H.R. 4806) provided for the establishment of a temporary program of extended unemployment compensation and a temporary increase in the rate of Federal unemployment tax.

To be eligible for this extended compensation, an individual must have exhausted, after June 30, 1960, all rights under the State law and have no rights to unemployment compensation under any Federal or State law.

Federal funds were made available to the States to extend benefits for up to 13 weeks, but for a total of not more than 39 weeks in a year.

The program will expire June 30, 1962, and is to be financed by a temporary increase in unemployment tax employers pay on a wage base of $3,000 and will increase this basic tax by a special 0.4 percent tax to 3.5 percent, which will be effective on wages paid between January 1, 1962, and December 31, 1963.

The law extended benefits to those who have used up their State unemployment compensation between June 30, 1960, and March 31, 1962.

The law contained a provision which reduced unemployment compensation for those who are receiving pensions from private organizations but excluded from this provision those receiving disability and social security benefits.

The Federal Government would not be reimbursed for the funds advanced until January 1963 and 1964.

The act established an unemployment trust fund which is to be maintained as a separate book account from which compensation payments and State reimbursements shall be made with a terminal date of December 31, 1964, for transfers to or from the fund.

Section 3301 of the Internal Revenue Code of 1954 was amended to increase the taxes on wages paid during the calendar years 1962 and 1963 from 3.1 to 3.5 percent.

The amount authorized to be made available for the purposes of this act was increased to—

(1) Three hundred and eighty-five million dollars for fiscal year ending June 30, 1961.

(2) Four hundred and fifteen million dollars for fiscal year ending June 30, 1962.

Unemployment was 6.6 percent when the New Frontier dawned last January. The jobless rate has been higher in every month since. In 1961 unemployment has averaged 6.8 percent of the work force—as against an average of 5.8 percent in the comparable months of Republican 1960.

Temporary extended railroad unemployment insurance benefits

(Public Law 87-7. Approved March 24, 1961)

This law (H.R. 5075) provided temporary extended railroad unemployment insurance

benefits for railroad workers similar to those provided workers in industry generally by providing additional unemployment benefits on a temporary basis to those unemployed railroad workers who have after June 30, 1960, and before April 1, 1962, exhausted all their rights to unemployment benefits under the Railroad Unemployment Insurance Act.

The act authorized the transfer of funds to the railroad unemployment insurance account from the general funds of the Treasury, such transfers to be without interest and to be repaid without interest.

A temporary increase in the tax rate payable under the Railroad Unemployment Insurance Act of one-quarter of 1 percent was made on compensation paid in 1962 and 1963. There were no changes in the existing law. The provisions for the payment by employers of a contribution rate of 3¾ percent paid after December 31, 1961, and before January 1, 1964, was suspended by a provision in this bill which would make the rate 4 percent with respect to such compensation.

Minimum wage amendments

(Public Law 87-30. Approved May 5, 1961)

This law (H.R. 3935) amended the Fair Labor Standards Act of 1938, to provide minimum wage coverage for certain employees.

Major provisions of the law:

(1) Raised the $1-an-hour minimum wage to $1.25 by 1963 and brought under the Wages and Hours Act an additional 3.62 million workers, most of them in retail stores.

(2) Took effect 120 days after bill was signed into law.

(3) Provided a wage floor of $1.15 on the effective date of the law with the minimum of $1.25 to take effect 2 years later.

(4) Brought under the law 2.18 million employees of large retail stores and service establishments.

(5) Included employees of enterprises which do more than $1 million of annual business provided $250,000 of the goods sold move across State lines.

(6) Included employees of a unit of a chain which grosses $1 million in the year provided the unit did at least $250,000 business.

(7) Exempted from coverage under the retail provisions: hotels, motels, restaurants, auto dealers, farm implement dealers, motion picture theaters, hospitals, nursing homes, schools for handicapped or gifted children, amusement or recreational establishments operating on a seasonal basis, and laundry workers.

(8) Gave newly covered workers $1 an hour for the first 3 years, $1.15 for the fourth year, and $1.25 the fifth year.

(9) Gave no overtime coverage to newly covered employees for the first 2 years but coverage after 44 hours the third year; after 42 hours the fourth year; and after 40 hours the fifth year.

Political expediency, necessary to gain Democratic support in the House, guided consideration of this legislation. There was real horse trading involved in this issue. Despite the President's campaign promises to achieve the widest possible coverage, a number of workers who were previously covered were excluded under the law. Administration supporters, in order to pick up support from southern Congressmen, and those from other farm areas, were willing to make these "minor" concessions.

Three large groups of workers did not receive coverage under the new extension: about 140,000 employees of laundries, about 305,000 employees of auto and farm equipment dealers, and about 17,000 employees of transit systems with less than $1 million annual sales.

Extension of the minimum wage was one item on the President's 16-point priority program. A bill was signed into law and the end result hailed as a great victory, with that ease of turnabout which has characterized this administration. In actuality, it is an ignoble monument to political expediency which sacrifices those workers in greatest need.

The record should be made clear, that because of the gyrations of the administration on the minimum wage issue, it can be shown that American workingmen are losing more than a billion and a quarter dollars in increased pay because President Kennedy failed to live up to the campaign pledge on minimum wages. The loss figures are from the Department of Labor. Here is the record:

In 1960 the Republican administration tried to get the Democratic-controlled Congress to raise the minimum wage to $1.15 as of January 1 of this year. Senator Kennedy helped scuttle this, flatly pledging he would raise it to $1.25 if elected President.

Last February, President Kennedy did not request $1.25, but $1.15 declaring it should not get to $1.25 for 2½ more years.

Since the $1.15 minimum wage law did not go into effect until September 5, 120 days after the law was signed, then it is clear that nearly 2 million workers lost a total of $224 million in increased pay that they could have had under the Republican administration's proposal, if adopted last year.

Thus, that is the sacrifice, or price, workers have paid for the 8 lost months on the New Frontier.

However, that is not all the story.

When the law goes to $1.25, 2½ years after President Kennedy pledged it would, then the workers covered—an estimated 3 million—can ask themselves how much they are out of pocket between the Democratic pledge and performance. The answer is a further loss of $1 billion in wage increases promised but not delivered. This is the additional price workers are now paying for the 2½ years which have disappeared in 8 months of the New Frontier.

When President Kennedy signed the law May 5, he said: "I want to express my satisfaction in signing the bill to increase the minimum wage to $1.25 an hour."

Not a word was said about $1.15.

Not a word about the 2½-year wait ahead.

Here is the factual record:

August 3, 1960: Democratic-controlled Senate-House conferees failed to agree on President Eisenhower's proposed legislation for increasing the minimum wage to $1.15 effective January 1, 1961, the conference collapsing because Senator Kennedy insisted on $1.25.

August 30, 1960:

I intend to take this fight to the American people. I am sure that they will support me in November in my goal of a minimum living standard of $1.25 an hour * * *" (Senator Kennedy to the Minimum Wage Conference).

November 4, 1960:

We have a minimum wage—but to be of any help at today's prices it must be raised to $1.25 an hour (Senator Kennedy in a campaign speech).

February 6, 1961: President Kennedy asked Congress for a $1.15 law plus broader coverage with provision to go to $1.25, 28 months after the effective date.

May 5, 1961: President Kennedy signed the minimum wage bill into law thus making September 4, 1961, the effective date for $1.15, and September 4, 1963, the effective date for $1.25.

February 14, 1961: Secretary of Labor Goldberg told the House Education and Labor Committee that there were 1,906,000 covered workers who were making less than $1.15 and that the increase to $1.15 would mean an additional $336 million in their pay envelopes annually. Based on these figures the workers lost $224 million in their pay envelopes when Senator Kennedy scuttled President Eisenhowers' bill—eight-twelths of $336 million.

February 14, 1961: Secretary of Labor Goldberg also testified that there were 3,021,000 covered workers who made less than $1.25 and that the increase to $1.25 would result in $836 million more annually in their pockets. This means that the 2-year delay in President Kennedy's fulfillment of his promise to obtain a $1.25 minimum is costing the workers $500 million annually or a total of $1 billion for 2 years—$336 million subtracted from $836 million.

Increased benefits under Longshoremen's and Harbor Workers' Compensation Act

(Public Law 87-87. Approved July 14, 1961)

This law (H.R. 1258) increased the maximum level of weekly compensation benefits payable to workers or to the beneficiary of workers under the act who are injured or disabled within the course of their employment from $54 to $70; provided a comparable increase in death cases, adjusting the ceiling on average weekly wages from $81 to $105; and increased the statutory maximum compensation payable for all injuries other than cases of permanent total disability or death from $17,280 to $24,000. These increases were based on the principle of the original act in 1927 which provided that compensation equal two-thirds of the difference between the average weekly wage prior to injury and the earning capacity of the worker after injury. Compensation under this act would not be paid by the Government and no appropriations would be necessary.

NATIONAL DEFENSE

Missiles, planes, and ships authorization

(Public Law 87-53. Approved June 21, 1961)

This law (S. 1852) authorized $12,371 million for the purchase of missiles, planes, and ships for fiscal year 1962.

Included in the law was $596.2 million of authority for the procurement of heavy long-range jet bombers.

Military construction authorization

(Public Law 87-57. Approved June 27, 1961)

This law (H.R. 5000) authorized the sum of $893,047,750 for military construction for fiscal year 1962. Among other items in the authorization were 3,000 units of Capehart housing previously authorized and an additional $12 million in authorization for the Department of the Air Force to be used for the construction of test facilities for its large solid propellent booster in connection with the Nation's space effort.

Status of Naval Reserve Officers' Training Corps graduates

(Public Law 87-100. Approved July 21, 1961)

This law (H.R. 4349) placed the Naval Reserve Officers' Training Corps (Regular) graduates in a status comparable to that of U.S. Naval Academy graduates, with respect

to the form of regular commission received by members of this corps. This law neither increased, decreased, nor otherwise affected the period of obligated service for these graduates.

The law also repealed existing provisions relating to the requirement for application to remain on active duty as a Regular officer. As a result of this law, these officers will have to make application in order to get out of the service at the expiration of their obligated tour.

The law would not apply to NROTC (contract) students who only agree to serve in the Reserve after graduation.

Providing uniformity for entitlement to reenlistment bonuses

(Public Law 87–103. Approved July 25, 1961)

This law (H.R. 4324) made the period within which reenlistments must be entered into under both section 207 of the Career Compensation Act of 1949 (reenlistment within 3 months) and section 208 which required reenlistment within 90 days uniform at 3 months. The law also provided relief to those persons who were erroneously paid higher reenlistment bonuses as a result of the technical difference between "90 days" and "3 months."

Authorization for President to order units and members of Ready Reserves to active duty

(Public Law 87–117. Approved August 1, 1961)

This law (S.J. Res. 120) authorized the President to order units and members in the Ready Reserve to active duty for not more than 12 months or until July 1, 1962. The law restricted the number to not more than 250,000 members of the Ready Reserve who may be on active duty (other than for training) without their consent at any one time.

The law also provided that until July 1, 1962, the President may authorize the Secretary of Defense to extend enlistments, appointments, periods of active duty, periods of active duty for training, periods of obligated service, or other military status, in any component of an armed force, or in the National Guard, that expire before July 1, 1962, for not more than 12 months.

This legislation was part of the overall defense buildup asked for by the President in light of the international situation. It should definitely be noted that in all such instances, the administration received wholehearted backing from the Republicans in the Congress. Partisanship did not enter the picture, and the defense of the country was placed above all else.

Aircraft, missiles, and naval vessels authorization

(Public Law 87–118. Approved August 3, 1961)

This law (S. 2311) authorized additional appropriations in the amount of $958,570,000 for the procurement of aircraft, missiles, and naval vessels. It was an expansion and continuation of the previous authorization (H.R. 6151) which became Public Law 87–53.

Under this law the Army was allocated $36,700,000 for aircraft and $33,770,000 for missiles; the Navy and Marine Corps, $281,400,000 for aircraft, $262,200,000 for missiles, and $41,600,000 for naval vessels; the Air Force, $294,100,00 for aircraft, and $8,800,000 for missiles.

Permitting enlistment of certain aliens in Army and Air Force

(Public Law 87–143. Approved August 17, 1961)

This law (H.R. 181) permitted enlistment in the Army and Air Force by aliens lawfully admitted to the United States for permanent residence.

Defense Department appropriations for fiscal 1962

(Public Law 87–144. Approved August 17, 1961)

This law (H.R. 7851) made appropriations for the Defense Establishment of $46,662,556,000 for fiscal year 1962.

Of this total appropriation, the Army received $11,802,312,000; the Navy, $14,505,665,000; the Air Force, $18,836,534,000; and the Office of the Secretary of Defense, $1,310,445,000.

The above funds included about $3.5 billion which was requested as emergency funds for the Armed Forces buildup.

Nearly $1 billion was provided to continue development and production of long-range jet bombers. The Congress added $180 million over the administration request in an item of $400 million for development of B–70's.

The law also contained $207.6 million for civil defense projects, including fallout shelters to be constructed in Federal buildings.

This was one instance where, believe it or not, the administration did not want some additional money voted by the Congress. For instance, the Congress added $514,500,000 for the procurement by the Air Force of B–52 and B–58 long-range bombers, in addition to the $180 million over the administration request for development of the B–70's.

The Congress completely disregarded the administration's idea that there were already enough B–52's and B–58's provided for, and did not heed the administration's plea that this money not be added. The Congress felt that this country was in bad enough position relative to national defense and that it should not be allowed to get any worse. The use of missiles is new and relatively untried. Therefore, the manned bomber unmistakably would be our chief weapon of defense for the present and for several years to come. Also, the Congress had sense to realize that Russia was not relying on missiles alone, but was also building up her manned bomber force. So this additional money was added.

The Democratic-controlled Congress "charitably" gave as one of its reasons for the addition that they must appropriate enough money to make it possible for the administration to change its mind, implying that they were still hoping that the administration would open its eyes in this respect.

Military construction appropriations for fiscal 1962

(Public Law 87–302. Approved September 26, 1961)

This law (H.R. 8302) made appropriations of $951,690,750 for military construction for the three service branches of the Department of Defense, including installations at home and overseas, for fiscal year 1962.

Naval vessels loan to friendly countries

(Public Law 87–387. Approved October 4, 1961)

This law (H.R. 7726) authorized the President to extend for an additional 5 years the loan of 2 naval vessels to Portugal and to Spain, respectively; to loan an additional 14 naval vessels to friendly foreign countries for 5 years (6 to NATO for Denmark and Greece, 2 to SEATO for Pakistan, 6 to the Republic of Korea and the Republic of China); and to place 2 vessels in the reserve pool to be loaned in case of loss by enemy action or act of God.

As originally proposed by the administration, extension of the ship loan beyond the original 5-year period would have been permitted at the discretion of the President without requiring congressional action. Congress deleted such discretionary authority.

NATIONAL ECONOMY

Reducing duty-free allowances for returning resident travelers

(Public Law 87–132. Approved August 10, 1961)

This law (H.R. 6611) amended paragraph 1798(c)(2) of the Tariff Act of 1930 by reducing temporarily from $500 to $100 the duty-free allowance permitted returning resident travelers from foreign lands with the exception of the Virgin Islands for which a duty-free allowance of $200 was permitted. The law would take effect 30 days after enactment and would be in effect for 2 years to July 1, 1963.

Small Business Act amendment

(Public Law 87–198. Approved September 5, 1961)

This law (H.R. 8922) amended the Small Business Act to increase by $20 million the amount available for regular business loans thereunder.

Increasing small business loan authority

(Public Law 87–305. Approved September 26, 1961)

This law (H.R. 8762) amended the Small Business Act to increase the amount available for regular business loans. The law authorized new appropriations of $105 million and merged the revolving fund authorization for the business loan program and the prime contract program. Not to exceed $1,125 million would be in the revolving fund in the Treasury for use of the SBA in the performance of its duties and powers. The disaster loan fund was not pooled with that of the other two programs.

Export insurance and guarantees

(Public Law 87–311. Approved September 26, 1961)

This law (S. 2325) amended the Export-Import Bank Act of 1945 to authorize the Export-Import Bank of Washington to guarantee, insure, coinsure, and reinsure U.S. exporters and importers against political and credit risks of loss, and to authorize the Bank to establish a reserve of not less than 25 percent of its contractual liability in connection with such guarantees and insurance. The law placed a limit of $1 billion on the aggregate contractual liability of the Bank for such guarantees and insurance.

Amendment to the Small Business Investment Act of 1958 relating to small business investment companies

(Public Law 87–341. Approved October 3, 1961)

This law (S. 902) amended the Small Business Investment Act of 1958 by (1) raising the amount of capital the SBA may invest in a small business investment company (SBIC), on a matching basis, from $150,000 to $400,000; (2) by limiting to $4 million the amount of operating loan SBA may make to any one SBIC (in addition to the former limit of 50 percent of the SBIC's capital and surplus) and imposing as a limitation on loans and investments by SBIC without approval of SBA ceiling of $500,000 or 20 percent of the original capital and surplus of any one small business concern, whichever is the lesser; (3) by giving SBA authority to undertake administrative procedures to suspend an SBIC license or to issue a cease-and-desist order against violations of the act or regulations; and (4) by amending the provisions for loans to State and local development companies by raising the ceiling to $350,000 for each identifiable small business

concern and by raising the maximum maturity on such loans from 10 to 25 years.

NATURAL RESOURCES AND PUBLIC WORKS

Area Redevelopment Act

(Public Law 87–27. Approved May 1, 1961)

This law (S. 1) provided for designation of "redevelopment areas" based on amount and persistence of unemployment, with the Secretary of Labor providing basic data. It also provided—

(1) For designating areas not meeting standards of "redevelopment areas," taking into account the number of low-income families and amount of unemployment and underemployment.

(2) For industrial and commercial loans not exceeding $100 million for standard areas and $100 million for nonstandard areas. Loans were not to exceed 65 percent of the cost of the project with interest rate based on a formula that amounts to about 4⅜ percent. Maturities up to 25 years were permitted. An area must have an approved economic development program to receive financial assistance under this act.

(3) For public facility loans, the total of such loans not to exceed $100 million with interest rate at about 3½ percent and maturities up to 40 years.

(4) For grants for public facilities, the total of which was not to exceed $75 million.

(5) For establishing a revolving fund of $300 million for loans to be obtained by borrowing from the Treasury.

(6) For assistance to redevelopment areas and other areas in the form of information, advice, and research.

(7) For $4.5 million for technical assistance which may be provided by contract or directly.

(8) For administrative provisions.

(9) For authority to terminate designation as a "redevelopment area."

(10) For amending the Housing Act to increase flexibility in providing urban renewal assistance for nonresidential purposes.

(11) For amending the Housing Act to authorize urban renewal planning grants in redevelopment areas for not more than 75 percent of the cost of the project.

(12) For occupational retraining, $4.5 million a year to finance State and local retraining classes.

(13) For retraining subsistence payments, $4.5 million a year for States to pay weekly checks to unemployed while attending retraining classes.

The administration "worked both sides of the street" insofar as the financing for most of this program was concerned. In a bill sent to the House, the President proposed that the main feature—a $300 million loan fund—be provided for by the regular appropriations method. In the Senate, however, administration spokesmen noted that Mr. Kennedy—when a Senator—had favored so-called back-door financing of the program. Moreover, these spokesmen said the back-door method would be quite acceptable to Mr. Kennedy today. The back-door method was the one Congress eventually voted.

The program finally approved was nothing more than a blownup version of a more sensible, more logical, more economical approach which President Eisenhower had called for on a number of occasions. The only new jobs which the program guaranteed to create were those of the Washington bureaucrats hired to administer the effort.

By a few strokes of the pen, so to speak, the administration has created 647 new distressed areas—often to the astonishment and dismay of residents of the communities involved.

When the area redevelopment bill was under debate in Congress earlier this year, the Department of Labor listed 103 labor surplus areas in the United States. The term depended upon a variety of formulas. One required that a labor surplus area must have had an annual average unemployment rate of at least 50 percent above the national average for 3 of the preceding 4 calendar years.

But when the area redevelopment bill became law, something new had been added. The Secretary of Commerce was empowered "to distribute (area redevelopment) projects widely among the several States so far as is feasible and proper, in order that actual experience with this program may be had in as many States and in as many different circumstances as possible."

This is the language which has brought on the rash of administration-designated "distressed areas"—a total of 750 such areas, or 647 more than under the old "labor surplus" definition. And there's nothing in the law which requires the Secretary of Commerce to consult local citizens before he tags their community as "distressed."

That's what happened this past summer in Tyler, Tex., which suddenly found itself a distressed area to the dismay of the inhabitants, at least one of whom found his credit shut off. Ironically, just a short while earlier, Tyler was feeling mighty good about business conditions thereabouts. The July issue of Progressive Tyler, a local publication, said building permits for the second straight month had topped the million-dollar mark, a tire company was getting set to open a big new plant, bank deposits were up. Tyler's newspaper, Morning Telegraph, reported Tyler was leading all east Texas in retail business activity and purchasing power.

Then on July 22, now termed "Black Saturday" by local residents, came word that the New Frontiersmen in Washington had decided that the area was "economically distressed." The first reaction of one Tyler newspaper was: "Where can we file suit for slander?"

Federal-aid-to-highways program

(Public Law 87–61. Approved June 29, 1961)

This law (H.R. 6713) made available an additional $11.7 billion for the interstate highway program.

Included in the financing of the program were $600 million a year from continuance of the present 4-cents-a-gallon tax on gasoline until 1972; $150 million from other highway taxes; and $150 million made available by switching the 5-percent excise tax on trucks and buses from the General Treasury to the highway trust fund.

The law contained these tax increases:

1. Use tax on trucks and buses over 26,000 pounds increased from $1.50 per 1,000 pounds to $3 per 1,000 pounds.

2. Tax on highway tires increased from 8 to 10 cents per pound and on inner tubes, including tubes for bicycle tires, from 9 to 10 cents per pound through September 30, 1972.

3. Tax on tread rubber increased from 3 to 5 cents a pound through September 30, 1972.

4. Tax of 2 cents a pound on tires, 1 cent a pound on inner tubes, and 2 cents a pound on tread rubber on "floor stocks" on hand July 1, 1961.

The law also continued for 2 years the provision granting bonuses in allocations to States banning advertising billboards along the new roads.

The law provided that the manufacturers' tax on trucks, buses, and trailers already classified as a highway trust fund revenue source was to be transferred to the highway trust fund as of July 1, 1962.

A few interesting facts about this law.

The studies for such a program were begun by Congress as far back as 1946.

The program itself was begun under the Eisenhower administration.

There is a wide disparity between what the Kennedy administration proposed and what Congress agreed to, as indicated by the following examples:

First. The administration proposed that the diesel fuel tax be increased from 3 to 7 cents, but Congress set it at 4 cents.

Second. The administration proposed that none of the 10 percent manufacturers' tax on autos, trucks, buses, and trailers be diverted from the general to the highway trust fund, but Congress diverted the entire tax to the trust fund from July 1962 to October 1, 1972, on the grounds that nonhighway users would benefit from the program.

Third. The administration proposed that the tax on vehicles be raised from $1.50 to $5 per 1,000 pounds over 26,000 pounds when loaded, but Congress set the rate at $3.

Fourth. The administration proposed that the tread rubber tax was to be increased from 3 to 10 cents per pound, but Congress set this at 5 cents per pound.

Fifth. The administration proposed that the billboard control program be extended for 4 years, but Congress provided for a 2-year extension.

On this measure, most issues were bipartisan, and the voting did not in any sense of the word follow party lines.

Federal Water Pollution Control Act Amendments of 1961

(Public Law 87–88. Approved July 20, 1961)

This law (H.R. 6441) provided that the Secretary of Health, Education, and Welfare shall administer the act.

Other provisions were:

1. The Corps of Engineers, Bureau of Reclamation, or other Federal agency concerned shall give consideration in the survey or planning of any reservoir to inclusion of storage for streamflow regulation for water control purposes, except that such storage and releases shall not be provided as a substitute for adequate treatment or other waste-controlling methods at the source.

2. The Water Supply Act of 1958 was amended to permit the Federal agency concerned to make its own determination of future water supply needs and, on the basis of such determination, to include capacity in a project without definite contractual commitments from State or local authorities.

3. An authorization of not to exceed $5 million per fiscal year with a total limitation of $25 million was provided for the development and demonstration by the Secretary of practical means of treating sewage and other wastes to remove the maximum amounts of pollutants in order to maintain the Nation's water at a quality suitable for repeated reuse; improve methods of identifying and measuring pollution; and methods for evaluating the effects of augmented streamflows to control pollution not otherwise susceptible to abatement.

4. Authorization for construction grants for sewage treatment plants provide for $80 million for fiscal year 1962; $90 million for fiscal year 1963; and $100 million for each of the fiscal years 1964 through 1967 for a total of $570 million.

5. A conference can be called in the case of interstate pollution upon the request of the Governor, the State water pollution control agency, or with the concurrence of both and the governing body of any municipality. The Secretary may call a conference on his own initiative in the case of interstate pollution. In intrastate pollution, a conference may be called only when requested by the Governor of the State where the pollution is occurring. In cases involving intrastate pollution, the Secretary may refuse to exercise Federal jurisdiction if in his judgment the pollution is not of sufficient significance to warrant so doing.

6. If pollution is not abated within the time specified in the notice following the public hearing, the Secretary of Health, Education, and Welfare may request the Attorney General to bring suit in the name of the United States only with the written consent of the Governor of the State.

The administration had wanted to give power exclusively to Federal officials to determine areas of pollution. The Congress clamped down on this attempt to further extend the control of the Federal Government and the executive branch, by providing that such determination be made with the cooperation and compliance of State officials.

Establishment of Cape Cod National Seashore Park

(Public Law 87-126. Approved August 7, 1961)

This law (S. 857) provided for the establishment of the Cape Cod National Seashore Park and authorized the Secretary of the Interior to acquire by purchase, gift, condemnation, transfer from any Federal agency, exchange, or otherwise, the land, waters, and other property and improvements thereon and any interest therein, within the area described. The Secretary also was authorized to use donated funds and appropriated funds in making acquisitions under this law. Also established was a Cape Cod National Seashore Advisory Commission which is to terminate 10 years after the date the seashore was established.

In a message to the Congress of February 23, President Kennedy called for the establishment of this national park, and also requested the establishment of two other parks by name, at Padre Island, Tex., and Point Reyes, Calif., S. 4, by Senator YARBOROUGH, Democrat, of Texas, to establish the Padre Island park, and S. 476, by Senators ENGLE, Democrat, of California, and KUCHEL, Republican, of California, to establish the Point Reyes park, hardly got off the ground. Why? Did their location have something to do with it?

According to a story in a Chicago newspaper of September 17, the Kennedy administration is listing this as one of the "major achievements" of its "magnificent" record during the 1st session of the 87th Congress. It should be pointed out that this bill, S. 857, was sponsored by the two Senators from Massachusetts, Senator SALTONSTALL, Republican, and Senator SMITH, Democrat, former roommate of the President. That bill also received bipartisan support, and was not passed by Democrats alone.

Perhaps what makes this such a "major achievement" is the fact that it lies within Kennedy's home State of Massachusetts and deals with an area that has long been the playground of the Kennedy clan.

Amendments to Federal Airport Act

(Public Law 87-255. Approved September 20, 1961)

This law (H.R. 8102) amended the Federal Airport Act by authorizing Congress to appropriate up to $75 million a year for 3 years for grants for airport construction to be matched generally on a 50-50 basis by States and local communities.

This represented a major setback to the New Frontiersmen in their drive to commit Congress to appropriation by back-door financing. The Kennedy administration had requested a 5-year $375 million program based on the form of back-door spending called contract authorization. Firm opposition, primarily in the House of Representatives, eliminated the back-door financing and cut the length of the program to 3 years. The new law also adopted the program originally proposed by Republicans to limit airport aid only to measures which contribute to the safety of the traveling public.

Saline water conversion program expansion and extension

(Public Law 87-295. Approved September 22, 1961)

This law (H.R. 7916) provided for expansion and extension of the saline water conversion program, under the Interior Department, for developing practicable low-cost means for the large-scale production of water from saline water, with authorization for appropriations of not to exceed $75 million, to remain available until expended, through fiscal year 1967.

Among other things, the measure specifically provided for—

Saline water research, demonstration plants, financial assistance for construction of conversion plants, and grants and contracts to States and local bodies.

Delaware River Basin compact

(Public Law 87-328. Approved September 27, 1961)

This law (H.J. Res. 225) granted the consent of Congress to the Delaware River Basin compact for the conservation, utilization, development, management, and control of the water and related resources of the Delaware River Basin. It provided for participation in the compact by the United States and involved the States of New York, Pennsylvania, New Jersey, and Delaware.

Public works appropriations for fiscal 1962

(Public Law 87-330. Approved September 30, 1961)

This law (H.R. 9076) appropriated $3,908,880,980 for civil functions of the Army and certain agencies of the Interior Department, the Atomic Energy Commission, the Tennessee Valley Authority, and several study commissions for fiscal year 1962.

The total included $724,021,880 for river and harbor and flood control construction by the Army's Corps of Engineers.

The Bureau of Reclamation received $152,405,500 for construction and rehabilitation of reclamation projects, power transmission facilities, and related activities. For plant acquisition and construction by the Atomic Energy Commission, $195,360,000 was appropriated.

This bill was one of the last to pass the 1st session of the 87th Congress—and for a very good reason. It had been purposely held up so that the projects in the legislation might be used by the administration to stimulate certain votes for other parts of its program contained in other bills.

Lead and zinc subsidies for small producers

(Public Law 87-347. Approved October 3, 1961)

This law (H.R. 84) provided for subsidy payments for the mining of lead and zinc by small producers. The Secretary of the Interior was authorized to pay small producers 75 percent of the difference between 14½ cents per pound and the market price for lead, and 55 percent of the difference between 14½ cents per pound and the market price for zinc. A small producer was defined as one who has not produced or sold more than 3,000 tons of lead or zinc combined during any 12-month period between January 1, 1956, and the first day for which he seeks payment. Maximum individual production eligible for stabilization payments was set on a descending scale for 1962 through 1965. A total maximum authorization for payments each year was provided on a descending scale over the same period of time. Lead and zinc producers in about 20 States would be eligible for such subsidies.

A bill somewhat similar to this was pocket vetoed by President Eisenhower last year.

PERSONAL AND PUBLIC WELFARE

Food Additives Transitional Provisions Amendment of 1961

(Public Law 87-19. Approved April 7, 1961)

This law amended the transitional provisions of the act approved September 6, 1958, entitled "An act to protect the public health by amending the Federal Food, Drug, and Cosmetic Act to prohibit the use in food of additives which have not been adequately tested to establish their safety" (Public Law 85-929), by extending from March 5, 1961, to June 30, 1964, the final effective dates of this law and Public Law 86-139, the Nematocide, Plant Regulator, Defoliant and Desiccant Amendment of 1959. This extension (H.R. 3890) authorized the continued use of certain additives and pesticide chemicals not covered by regulations issued by the Secretary of Health, Education, and Welfare, if the Secretary finds that such continued use would involve no undue risk to the public health, that such additives and pesticide chemicals were in commercial use prior to January 1, 1958, and that scientific investigations to determine safe levels of use were being pursued with due diligence.

Practical Nurse Training Extension Act of 1961

(Public Law 87-22. Approved April 24, 1961)

This law (S. 278) extended for 4 years, to July 1, 1965, the program under which the Federal Government on a 50-50 matching basis aids the States to train practical nurses and made available $5 million yearly to carry out the program.

Aid to dependent children of unemployed

(Public Law 87-31. Approved May 8, 1961)

This law (H.R. 4884) amended title IV of the Social Security Act to authorize Federal financial participation in aid to dependent children of unemployed parents. The program is a temporary one for a period of 14 months from May 1, 1961, through June 30, 1962, and is estimated to cost $200 million in Federal funds.

The law provided Federal participation in benefits for such children on the same basis as the existing Federal-State programs for children whose wage-earning parents have died, deserted them, or become disabled.

The new program was optional for the States.

Included in the law was a provision for some $10 million for an increase from $12 to $15 a month in Federal funds for medical care of persons on old-age assistance rolls.

Social Security Amendments of 1961

(Public Law 87–64. Approved June 30, 1961)

This law (H.R. 6027) amended and broadened the social security program, effective 30 days after enactment, in the following manner:

1. Increased minimum benefits for retired workers from $33 to $40 per month.

2. Permitted men as well as women to start collecting benefits, on a permanently reduced basis, at the age of 62 years.

3. Increased widows' benefits from 75 to 82½ percent of the husbands' benefits.

4. Changed eligibility requirements to permit payment of benefits to workers employed in a job covered by social security for one quarter out of every four calendar quarters since 1950, instead of one quarter out of every three quarters as now provided.

5. Raised from $1,201–$1,500 to $1,201–$1,700 the level of earnings of retired persons for which a dollar is deducted from benefits for every $2 earned. Deductions above $1,700 will be subject to dollar-for-dollar deductions.

6. Extended for 1 year, through June 30, 1962, the deadline for applications by disabled persons made eligible for benefits under the 1960 law.

7. Amended the Internal Revenue Code to increase scheduled social security payroll taxes by adding an additional one-eighth of 1 percent on employees and employers and an additional three-sixteenths of 1 percent tax on the self-employed. The new tax schedule, effective January 1, 1962, was (for employees and employers in 1962) 3⅛ percent; for 1963–65, 3⅝ percent; for 1966–67, 4⅛ percent; for 1968 and after, 4⅝ percent. For the self-employed the tax for 1962 was 4.7 percent; for 1963–65, 5.4 percent; for 1966–67, 6.2 percent; and for 1968 and after, 6.9 percent.

8. Increased for 9 months, $15.8 million in funds for matching Federal grants to the States for public assistance payments to the aged, blind, and disabled, and changed the formula to increase to $31 the amount for which the Federal Government will pay 80 percent, and upped the limit from $65 to $66 with the change effective from October 1, 1961, through June 30, 1962.

9. Authorized for 1 year, ending, June 30, 1962, funds for temporary aid to U.S. nationals returning home under distressed circumstances.

What noble words have been uttered about the needs of the older people for better medical care. What statesmanlike phrases, what unkept promises have been spoken on this subject. What deathless prose.

What dead prose.

The President has said:

This is a matter of national concern. I believe the need for such insurance is urgent.

He placed medical care for the aged under social security on his 16-point priority program for action this session of Congress. Nothing whatsoever has happened to implement his recommendation.

The President promised on November 1, 1960, that, if he were elected President he would submit "to Congress within 30 days" after he took office and immediately enact a plan for medical care for the aged under social security. Well, he kept part of that promise. He did submit the program.

That is as far as it went. The House Ways and Means Committee which would first have to take action on such a proposal, became so bogged down trying to untangle the mess of the President's tax-revision proposals, that it never got around to medical care for the aged under social security.

But, other plans, not under social security, were introduced into this session of Congress. But, alas, they, for the most part, were Republican plans—and of course nothing happened in regard to them.

After all, what Democratic committee chairman would dare take action on any medical care plan—particularly a Republican one—that was not under social security. The administration wants such a plan under the social security system, but apparently they can't get what they want.

So, nothing has been done.

The beautiful, heart-rending speeches about the needs of the older people were as hollow and shallow as many of the orators from whom they emanated.

The concern voiced was not—as the people were led to believe—with the urgent need for such legislation. The concern was actually with just how to further lead this country down the road to socialism—by placing the medical care under the social security system.

Aid for training teachers of the deaf

(Public Law 87–726. Approved September 22, 1961)

This law (S. 336) established a grants-in-aid program to assist in training teachers of the deaf. It authorized appropriations of $1.5 million annually for 2 years beginning with the fiscal year ending June 30, 1962.

Community Health Services and Facilities Act of 1961

(Public Law 87–395. Approved October 5, 1961)

This law (H.R. 4998) (1) expanded such facilities for the chronically ill and the aged; (2) provided for expanded research to more effectively develop and utilize hospitals and other medical care facilities; and (3) increased grants to assist in constructing health research facilities.

To accomplish these three purposes, the law did the following:

1. Increased authorization from $30 million to $50 million a year for the next 5 years for the chronically ill and the aged.

2. Set up a new 5-year program of $10 million annually for special project grants to public and nonprofit organizations for developing new or improved methods outside hospitals, also for the chronically ill and the aged.

3. Increased for a 3-year period from $10 million to $20 million authorization for grants-in-aid to States for constructing private and other nonprofit nursing homes.

4. Liberalized eligibility criteria for constructing rehabilitation centers under Hill-Burton program by requiring such centers to provide medical service and either psychological, social, or vocational services.

5. Extended Hill-Burton authorizations for construction loans for hospitals and other medical facilities until June 30, 1964.

6. Increased annual appropriations ceiling for hospital research grants from $1.2 million to $10 million, extended the program to facilities other than hospitals, and authorized grants for constructing and equipping experimental facilities.

7. Amended authority of the Surgeon General, PHS, to make nonmatching grants to construct health research facilities by restricting same to projects of regional or national significance.

8. Extended for an additional 3 years the matching grant program for constructing health research facilities, with an increase in authorized annual appropriations from $30 million to $50 million.

TRANSPORTATION

Extension of authority for dual-rate contract agreements by steamship conferences

(Public Law 87–75. Approved June 30, 1961)

This law (S. 2154) extended until September 15, 1961, the dual-rate contract agreements by steamship conferences which permits temporary exemption from the antitrust laws.

Federal Aviation Act of 1958 Amendment

(Public Law 87–197. Approved September 5, 1961)

This law (S. 2268), known as the antihijacking law, provided—

(1) That aircraft piracy, or attempted aircraft piracy, is punishable by death, if so recommended by the jury, or by not less than 20 years imprisonment, if the death penalty is not imposed;

(2) That interference with flight crew members or flight attendants on board an aircraft in flight in air commerce is punishable by a fine of not more than $10,000, imprisonment for not more than 20 years, or both;

(3) That the carrying of weapons on aircraft by unauthorized persons is punishable by a fine of not more than $1,000, or imprisonment for not more than 1 year, or both; and

(4) That the imparting of false, willful, and malicious information concerning an alleged attempt to commit any act of aircraft piracy is punishable by a fine of not more than $5,000, or imprisonment for not more than 5 years, or both.

Subsidy to American-flag steamship lines

(Public Law 87–243. Approved September 14, 1961)

This law (H.R. 6309) amended title VI of the Merchant Marine Act of 1936 to provide that, effective July 1, 1962, advance payments of vessel operating-differential subsidies could not exceed 90 percent of the estimated subsidy, except that an additional 5 percent might be paid after the contractor's audit was completed and the Secretary of Commerce had verified its correctness. Under previous law the foregoing percentages were 75 and 15 respectively.

The Department of Commerce in its report on the bill indicated opposition. Department opposition was cited when the bill was considered in the Senate. However, the House report stated the Department "subsequently withdrew its objections, after further study, because of the permissive nature of the legislation which leaves discretion to the Secretary of Commerce as to the percentage of subsidy payable before audit."

Licensing independent ocean freight forwarders

(Public Law 87–254. Approved September 19, 1961)

This law (S. 1368) amended the Shipping Act of 1916 to require licensing by the Federal Maritime Commission of all persons independently engaged in the business of forwarding shipments by oceangoing common carriers from the United States or its possessions, and to authorize payment by the carriers to forwarders as compensation for services performed in connection with the dispatch of such shipments.

GSA favored provisions requiring licensing of forwarders, opposed provisions to permit carriers to compensate forwarders for services furnished shippers. The Budget Bureau indicated no objection from standpoint of administration's program. GAO opposed provisions to permit carriers to compensate

forwarders for services furnished shippers.

Construction and maintenance of American-flag vessels built in American shipyards

(Public Law 87-266. Approved September 21, 1961)

This law (H.R. 6732) amended the Merchant Marine Act of 1936 to exclude from the 50-percent minimum U.S.-flag participation under section 901(b) all vessels built, rebuilt, or documented abroad (after enactment) until such vessels have been documented under U.S. laws for 3 years. It was designed to discourage American operators from transferring vessels to foreign registry and then redocumenting them under the American flag at their convenience, and to provide an incentive to American-flag tramp operators to build new vessels in the United States.

Use of vessel reserve funds for research and new design (containerization)

(Public Law 87-271. Approved September 21, 1961)

This law (H.R. 6974) amended the Merchant Marine Act of 1936 to authorize operators of subsidized vessels to use their capital reserve funds to finance research, new design, and development programs; to permit borrowing from capital reserve funds to acquire cargo containers; and to provide safeguards against undue depletion of such reserve funds.

Extending preferred status to mortgages covering vessels, including tugboats, of 25 or more gross tons

(Public Law 87-303. Approved September 26, 1961)

This law (H.R. 2308) amended the Ship Mortgage Act to extend preferred status to mortgages covering towboats, barges, scows, lighters, car floats, canalboats, or tank vessels of 25 or more gross tons in order to meet the needs of the small operators and generate construction work for shipyards. The previous law conferred such preferred status only on vessels of 200 or more gross tons.

Dual-rate contracts for shipping

(Public Law 87-346. Approved October 3, 1961)

This law (H.R. 6775) amended the Shipping Act of 1916, as amended, to provide permanent legalization of steamship conferences, notwithstanding our antitrust laws, and to authorize ocean common carriers and conferences thereof to enter into dual-rate contracts with shippers.

TREATIES

Columbia River Basin Treaty

(Ex. C, 87th Cong., 1st sess. Ratified March 16, 1961)

Under the treaty, three large storage dams would be built in Canada, doubling former storage capacity for regulating the flow of the main part of the Columbia River. The increased storage capacity would be used for controlling floods and increasing the generation of electric power for the benefit of the United States and Canada. The treaty would be in force for 60 years, termination optional.

Convention on the Organization for Economic Development

(Ex. E, 87th Cong., 1st sess. Ratified March 16, 1961)

OECD would replace OEEC and add to the 18-nation OEEC membership the United States and Canada. The convention provided for consultation and voluntary cooperation among member nations for the purposes of (1) promoting the economies of member countries, and (2) assisting the less developed countries and distributing the aid burden more equitably. The resolution of ratification included a declaration intended to protect the constitutional division of powers between the Executive and Congress.

Second agreement between the United States of America and the Federal Republic of Germany regarding certain matters arising from the validation of German dollar bonds

(Ex. D, 87th Cong., 1st sess. Ratified May 4, 1961)

The agreement would provide for validation of German dollar bonds whose owners obtained them from legitimate sources and not as a consequence of Soviet seizures of bonds in Berlin at the close of World War II. The procedures for validation would be the same as those provided in a 1953 treaty between the United States and the Federal Republic of Germany with respect to bonds of issuers located in the Federal Republic and the western sectors of Berlin.

International Convention for the Prevention of Pollution of the Sea by Oil, 1954

(Ex. C, 86th Cong., 2d sess. Ratified May 16, 1961)

The convention was designed to alleviate pollution of the high seas by prohibiting discharge of oil and oily wastes by tankers and other ships in prescribed areas and thereby to control their harmful effect on coasts and coastal waters, birds and other wildlife, and fish and marine resources. In 1960, the President recommended acceptance, subject to an understanding, reservations, and recommendations, which were included in the resolution of ratification.

Proposals by the United Kingdom for modification of the International Loadline Convention

(Ex. I, 87th Cong., 1st sess. Ratified May 16, 1961)

The convention prescribed the depths to which ships engaged in international commerce might be loaded and required such ships be marked with loadlines in accordance with the convention's terms. The proposal was designed to prevent retroactive application of the provisions of the convention involving ship structures.

Treaty of Extradition Between the United States and Brazil

(Ex. H, 87th Cong., 1st sess. Ratified May 16, 1961)

The treaty followed the pattern of some 65 other extradition treaties then in force, including all the countries of South America except Brazil. Neither country would have to extradite if the death penalty might be imposed, primarily due to the fact that capital punishment is prohibited under Brazilian law. Crimes subject to extradition, conditions to be satisfied, procedures to be followed, and circumstances when extradition would not be granted were contained in the various articles of the treaty.

Treaty of Friendship and Navigation Between the United States and Belgium

(Ex. J, 87th Cong., 1st sess. Ratified September 11, 1961)

The treaty contained provisions designed to provide protection for the property and interests of American citizens and companies in Belgium.

This treaty required that if any dispute regarding any provisions of these conventions arose between the parties, and if such dispute was not satisfactorily settled by other means, the dispute would be submitted to the International Court of Justice.

Treaty of amity and economic relations between the United States and Vietnam

(Ex. L, 87th Cong., 1st sess. Ratified September 11, 1961)

The treaty contained provisions designed to provide protection for the property and interests of American citizens and companies in Vietnam.

This treaty required that if any dispute regarding any provisions of these conventions arose between the parties, and if such dispute was not satisfactorily settled by other means, the dispute would be submitted to the International Court of Justice.

Geneva Radio Convention

(Ex. I, 86th Cong., 2d sess. Ratified September 25, 1961)

The main purpose of this convention, dealing with the international regulation of radio communication, was to replace those which were adopted at Atlantic City in 1947 and approved by the Senate in 1948.

The new regulations included special provisions for research purposes, to support the space program; recognition of the unique spectrum requirements of radio astronomy, by designating a number of bands for radio astronomy observations; and special procedures to eliminate interference in the field of high-frequency broadcasting.

Geneva International Telecommunications Convention

(Ex. J, 86th Cong., 2d sess. Ratified September 25, 1961)

The main purpose of the treaty was to continue in effect the principal provisions of the convention signed in Buenos Aires in 1952 and approved by the Senate in 1955.

It contained provisions governing composition, functions, and structure of the International Telecommunication Union—ITU—a specialized agency of the United Nations with permanent headquarters in Geneva.

The ITU was generally recognized as an effective organization for carrying on negotiations among its members and for coordinating the use of all forms of international telecommunications.

VETERANS

Veterans' home loan extension

(Public Law 87-84. Approved July 6, 1961)

This law (H.R. 5723) extended both the VA guarantee and direct home loan programs for veterans. The program for veterans of World War II was extended to July 25, 1967. The program for veterans of the Korean war was extended to January 31, 1975.

The law also increased from $13,500 to $15,000 the maximum amount an eligible veteran may borrow from the Government as a direct loan in areas where private financing cannot be obtained. For this purpose $1.2 billion was provided for direct home loans over the next 6 years.

Under this law, a veteran will be eligible for a GI loan for 10 years from the date of his discharge from his last period of wartime service, plus an additional year for each 3 months of active wartime duty.

Board of Veterans' Appeals

(Public Law 87-97. Approved July 20, 1961)

This law (H.R. 866) amended section 4004 of title 38, United States Code, to require that the Board of Veterans' Appeals render findings of fact and conclusions of law in the opinions setting forth its decisions on appeals. It also required that these decisions of the Board shall be in writing and shall contain findings of fact and conclusions of law separately stated. The amendment takes effect as of January 1, 1962.

Increasing special pension payments to certain persons awarded Medal of Honor

(Public Law 87-138. Approved August 14, 1961)

This law (H.R. 845) liberalized the requirements for entry on the Army, Navy, and Air Force Congressional Medal of Honor rolls by prescribing age 50 as an eligibility requirement. It increased the special pension from $10 to $100 for those recipients who specifically indicate a desire to receive such special pension. Recipients who are

now receiving the $10 special monthly pension would not have to indicate such a desire for the increase but would automatically be paid the new $100 rate from the effective date which began on the first day of the first month following enactment of this act.

Special dividends for certain national service life insurance policyholders

(Public Law 87-223. Approved September 13, 1961)

This law (H.R. 4359) amended section 723 of title 38, United States Code, to provide for payment of dividends on insurance issued under section 621 of the National Service Life Insurance Act of 1940 which had been converted or exchanged for new insurance under such section.

The administrative expense to the Veterans' Administration involved in the payment of the special dividend would be borne by the revolving fund. The Bureau of the Budget believed that these expenses should be paid from retained earnings of the fund before distribution. The VA favored the legislation.

This legislation was nothing more than a hoped-for popularity by paying veterans in advance.

Increased dependency and indemnity compensation for certain veterans' widows

(Public Law 87-268. Approved September 21, 1961)

This law (H.R. 6969) amended section 417 of title 38, United States Code, to adjust dependency and compensation rates so that benefits for certain widows of veterans whose deaths are due to service connection will not be less generous than benefits payable to widows of veterans whose deaths are nonservice connected.

Leadership and Literacy in Science and Technology

EXTENSION OF REMARKS

OF

HON. EMILIO Q. DADDARIO

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 27, 1961

Mr. DADDARIO. Mr. Speaker, on the occasion of the dedication of the Van Alan Clark Science Center of the Loomis School, Windsor, Conn., Dr. T. Keith Glennan, former Administrator of the National Aeronautics and Space Administration, addressed the faculty and students of the school. "Leadership and Literacy in Science and Technology" was the subject of his talk, and I believe his remarks deserve serious attention. I would like to include the text of his remarks in the RECORD:

LEADERSHIP AND LITERACY IN SCIENCE AND TECHNOLOGY

(By T. Keith Glennan)

Headmaster Grubbs, Mr. Clark, members of the Loomis family whose forefather, Joseph Loomis, founded this school, trustees, faculty, students, alumni, and friends of the Loomis School, in the proceedings of this great day, when we are met this day to dedicate the Van Alan Clark Science Center, I am deeply honored to be a participant.

The dimension of Loomis as an institution engaged in the development of intellect and character is well known. The Loomis quality in teaching, learning, and leadership is exemplified by the careers of its graduates in the best colleges and universities and in the practical affairs of life itself. I have asked myself, "What has built the Loomis dimension and quality?" In looking for an answer, I have found the hallmarks of any effective institution of learning—an able faculty; an alert administration; a student body of high intellectual promise; wisdom, judgment, and support from a loyal constituency of trustees, alumni, and friends; devotion to country; and faith in God.

Yet what is the unique mark of Loomis? On this point, I have heard the basic insistences of your first headmaster, Nathaniel Horton Batchelder: honesty, independent thinking, fair play, and hard work. Behind these I find Mr. Batchelder's prior, and more general principle, the importance of the habit of doing the right thing.

This principle, it seems to me, summarizes the moral and intellectual virtues as habits of action and constitutes the evident foundation for the eminence now enjoyed by this institution.

I regard the Clark Science Center of the Loomis School as the latest evidence of its exemplary habit of doing the right thing.

Over the past 10 years, I have given some part of my time and energies to the administration of two very large governmental organizations working in the fields of science and technology. The most recent experience was in the field of space exploration for peaceful purposes. I shall not distract you with a detail of this great effort to coordinate governmental, industrial, and academic organizations and people for what may well be the most exciting adventure man has undertaken. I shall simply state two abiding concerns of us all. The first is whether we can get the scientists and engineers who can lead us to the successes we have come to expect from American science and engineering. The second is whether the Americans, as a people and as an electorate, will learn enough about science and its methods to support the effort with the intelligence and conviction we have a right to expect of a free people.

To point up the crucial character of these concerns, I shall ask and answer some questions I am sure are in your minds.

Is the Soviet Union a worthy competitor of the United States in science and technology? Yes.

Have Soviet scientists and engineers demonstrated clear technological superiority in some phases of space exploration? Yes.

Will they put a man on the moon and bring him back before we do? They may.

Can we beat them at this if we spend more money—say $20 billion more than called for under the last budget submitted by the Eisenhower administration? Perhaps, but the issue would still remain in doubt.

Has the American program nevertheless learned more about outer space than the Soviets? Yes.

Will this approach pay off in the end with supremacy in space exploration and provide significantly beneficial results for all mankind? Yes.

I say flatly to you that the understanding of these questions and my answers to them requires, first among other things, an understanding of the nature and methods of science and technology. Those having interests and abilities in the sciences should discover and develop them as the vocation of their lives. I know of nothing they could do better with their lives. Those whose interests and abilities lie in other fields should nevertheless acquire by active learning a sufficient understanding of the nature of science to guide and support intelligent public action to strengthen the American scientific and technological effort. I know of nothing that is more needed by the country.

It is to these activities—the early discovery and education of native scientific talent and the understanding of scientific attitudes, methods, accomplishments, and limitations by all—that the Clark Science Center is being dedicated this day.

To illustrate the sort of thing I am sure will go on in the center, and I hope one day in every secondary school of the country, let me tell a rather precise ancedote.

Galileo was curious about the motion of free-falling—that is to say, uniformly accelerating bodies. He had, quite literally, figured that the velocity was proportional to time. He devised an inclined plane to make a body fall more slowly in order to observe better what happened, and was not surprised to find in the course of the experiments that what he had figured was so.

Galileo was curious—curiosity is, of course, a universal human impulse.

It has surely led man to all his discoveries, most of his progress, and plenty of his troubles. An ordinary man is usually curious about specific things like the meaning of a girl's smile and this can certainly lead him to discovery, progress, and sometimes, to trouble. A scientist or philosopher, on the other hand, is curious about ideas and concepts of the nature of the universe. Disciplined curiosity, deliberately released from the particular and addressed to the general, gives the scientist leverage, makes his discoveries significant, and leads him to the progress and troubles that are my topics.

Galileo was curious about motion, yet this curiosity did not spring whole from the brain of Galileo alone. He had plenty of help.

Though he was an Italian and lived in the 16th and 17th centuries, he had help from Aristotle, a Greek who lived and wrote in the 3d century B.C. He had help, too, from men of other countries and times. The medieval schoolmen had broken down motion into uniform and nonuniform motion, and nonuniform motion into nonuniformly accelerated motion and uniformly accelerated motion. This last concept Galileo took as the object of his prime curiosity. A Dutchman named John of Holland had accurately described uniform motion as a body traveling the same distances in equal measures of time Nicole Oresme of Paris had shown geometically that, for a uniformly accelerated object, the mean velocity was half the sum of the initial velocity and the final velocity. These discoveries linked in specific mathematical relationships velocity with distance, and distance with time. With our 20-20 hindsight, the next step seems easy, almost obvious. Yet it sometimes takes a genius in the right circumstances to make it. It is also clear that had Galileo not taken it, somebody else would have. The time was ripening, and the next step, the eternal problem of science, has a certain inevitability. It is akin to capping a joke, or finding the last, right word for a poem.

Aristotle and his followers had held that the velocity of a uniformly accelerating body was proportional to the distance traveled. Galileo went him one better. True, the velocity was proportional to the distance, but the distance was proportional to the square of the time; therefore the velocity was proportional to the time. Galileo proved these propositions in a series of geometrical propositions and, in doing so, leaned heavily upon his predecessors.

Notice that the argument, both ways, is deductive. Deductive analysis still has an important place in science, but its conclusive weight, if any, was demolished by Galileo's experimental approach establishing the relevant facts of nature. I had better let Galileo himself say how he did this.

Here, then, is history's first laboratory report:

"A piece of wooden molding or scantling, about 12 cubits long, half a cubit wide, and

3 finger-breadths thick, was taken; on its edge was cut a channel a little more than one finger in breadth; having made this groove very straight, smooth, and polished, and having lined it with parchment, also as smooth and polished as possible, we rolled along it a hard, smooth, and very round bronze ball.

"Having placed this board in a sloping position, by lifting one end some 1 or 2 cubits above the other, we rolled the ball, as I was just saying, along the channel, noting, in a manner presently to be described, the time required to make the descent. We repeated this experiment more than once in order to measure the time with an accuracy such that the deviation between two observations never exceeded one-tenth of a pulsebeat. Having performed this operation and having assured ourselves of its reliability, we now rolled the ball only one-quarter of the length of the channel; and having measured the time of its descent, we found it precisely one-half of the former.

"Next we tried other distances, comparing the time for the whole length with that for the half, or with that for two-thirds, or three-fourths, or indeed for any fraction; in such experiments, repeated a full hundred times, we always found that the spaces traversed were to each other as the squares of the times, and this was true for all inclinations of the plane; that is, of the channel, along which we rolled the ball. We also observed that the times of descent, for various inclinations of the plane, bore to one another precisely that ratio which, as we shall see later, the author Galileo had predicted and demonstrated for them.

"For the measurement of time, we employed a large vessel of water placed in an elevated position; to the bottom of this vessel was soldered a pipe of small diameter giving a thin jet of water, which we collected in a small glass during the time of each descent, whether for the whole length of the channel or for a part of its length; the water thus collected was weighed, after each descent, on a very accurate balance; the differences and ratios of these weights gave us the differences and ratios of the times, and this with such accuracy that although the operation was repeated many, many times, there was no appreciable discrepancy in the results."

Notice the elements of control: The very straight, parchment-lined groove and the very round bronze ball to make the distances accurate and reduce friction to negligible effect—the adjustability of the plane to different inclinations to vary the speed from experiment to experiment—the divisibility of the plane into accurate fractional distances—the confirmations of results through repetition—the water clock measuring time by the weight of the water expended through controlled flow during each roll of the ball—and the checking of this device through repetitions showing no appreciable discrepancies.

Notice, too, the meticulous honesty of the account. We are permitted to infer that the groove was not perfectly straight, but only "very straight"; that the ball was not perfectly round, but only "very round"; and that there were discrepancies, but so small as to be not appreciable.

Note the invention and design of devices for precise observation and measurement in every case relevant to the problem except the common one—the vetrical drop. Experimental science, unlike deductive analysis, is not a matter of commonsense, but special sense. Galileo, lacking the observational means for the case of the free-falling body, approximated this condition by devising a method for accurate observation and timing at different but known distances and inclinations.

Hearing this experimental evidence, simplico, the Aristotelian of Galileo's day, then says: "I would like to have been present at these experiments; but feeling confidence in the care with which you have performed them, and in the fidelity with which you relate them, I am satisfied and accept them as true and valid."

In this we laymen are invariably and necessarily simplicos. We take the experimental findings of science on faith. Yet in so doing, we should know what we are doing. We should early in life be thrust into an environment like the Clark Science Center. Here, even though our main interests and abilities lie elsewhere, we follow deductive analysis, put the theorems to experimental test, and make experiments ourselves. We are then in position to accept the findings of science with something less than faith, let us say, with a reasoned and experienced confidence. The only proper object of faith, after all, is God.

Before leaving the greatness of Galileo as the founder of experimental science, let me mention his contribution to the defining of a scientific problem for investigation. This contribution was an exclusionary principle; namely, rule out all possible extraneous factors and keep things simple. We have seen that Galileo ruled out the case of the vertical drop because he could not observe or time it accurately. He ruled out physical friction by making it negligible. He ruled out air friction in these experiments because it, too, was negligible. Yet Galileo knew air resistance was not always negligible, particularly in his pioneer work in ballistics. He excluded it simply to cut loose from the difficulties and clarify the basic problems. The difficulties he left to the engineers.

I hardly know a better way of distinguishing between basic science and engineering than to say that the engineers, as designers of devices, structures, and systems for practical application, have to put scientific exclusions back into the problem—exclusions like frictions, vibrations, temperatures, pressures, and human beings. Some, it turns out, can still be excluded as negligible. Some have to be controlled. Others have to be neutralized.

At some point, I think, elementary engineering problems should have a place in the learning processes carried on in the Clark Science Center. A sense of their scope would yield an understanding of our leadtime requirements in getting from basic scientific concepts to practical applications.

Finally, I would emphasize that all of Galileo's theorems on the mechanics of motions were stated and demonstrated in mathematical terms. Galileo himself felt that the entire universe was ordered in accordance with mathematical principles. This idea, though very old—running back to Plato and the Pythagoreans—also found expression in Newton's laws, quantum mechanics, and relativity theory. Mathematics is a truly interdisciplinary language and tool of science and engineer. Its most important impact is high-powered generalization. The power of its deductive systems to analyze specific—even unknown and unsuspected—relationships is well demonstrated. Galileo himself used plane geometry to analyze specific relationships of time, distance, and acceleration with respect to uniformly accelerating bodies.

Today we can use, and have used, computers to help analyze these and many other factors with respect to artificial bodies traveling in space. I would hope for close relationships between mathematics instruction and science instruction in the Clark Science Center.

I now repeat my anecdote about Galileo. Galileo was curious about the motion of free falling—that is to say, uniformly accelerating—bodies. He had, quite literally, figured that the velocity was proportional to time. He devised an inclined plane having negligible friction to make a body fall more slowly in order to observe better what happened and was not surprised to find in the course of the experiments that what he had figured was so.

I have tried to explain the significances of this anecdote as I see them. I shall draw no tiresome lessons. I chose Galileo because he stood where youngsters with little or no scientific learning stand today, where too many Americans stand today, in a world of Aristotelian physics. Galileo considered the Aristotelian world with its flat earth where, if things moved, they had to be pushed or pulled. It was and still is a most plausible world to the uneducated observer. Galileo thought, however, that the world might be otherwise. He invented a method of finding new knowledge that places us today in a very small world, a part of the Newtonian solar system of a minor star on the outskirts of one of the lesser galaxies in an Einsteinian universe.

How all this learning came about is only the basic primer for those who would make science and technology their careers. The need for these professionals is pressing. It may even be desperate. Scientific and technological supremacy rests upon superior aggregations of talent in depth and over time. This race we are beginning to lose. Last year we graduated less than 35,000 engineers. The Soviets graduated more than 100,000—and those who contend they are inferior to ours are not sustained by the available evidence.

As for those whose interests and abilities lie elsewhere, I would have them understand Galileo's gift to us all. I think we must engage in a vast effort toward scientific literacy among the entire American people.

I would rid people's minds of cliches about scientists as mad geniuses and engineers as open-collared roughnecks in boots.

I would replace this nonsense with an understanding of the methods of science and engineering. I would abolish the absurd image of the disloyal scientist with an understanding of the absolutely necessary cooperation and essential internationalism of scientific advancement. I would destroy faith in sudden, miraculous breakthroughs with an understanding that behind every breakthrough lie hundreds, even thousands, of relevant investigations in prior literature. I would discard the easy assumption that scientific and technological supremacy depends upon some arbitrary number of budgetary billions of dollars. I would have the people know that supremacy depends upon superior aggregations of scientific and engineering talent in depth over time. I would have them understand what this talent can and cannot do. I would convince them that money for finding, educating, paying, and equipping this talent is well spent; that funds forcibly directing it to spectacular feats are worse than wasted. They waste talent and time and defy our whole experience in the encouragement of scientific and technological advancement.

In these matters of educating professionals and laymen, we of the colleges, universities, and technological institutes look to the better ordering of our own instruction. Beyond this we look to the primary schools where science and mathematics begin simply. We look to the secondary schools where abstraction, analysis, and experimental science can surely reach the complexities now thought appropriate to college instruction. We look with especial confidence to the independent, private, and preparatory schools, like Loomis, for the leadership that is the responsibility of their freedom.

Loomis has long had one of the best preparatory-school science programs in the country. I hail the Clark family for supporting this program with the well-conceived, modern installation and equipment that is the Clark Science Center. It is for the scientific instruction of boys who shall

one day be leaders of men and opinion. It is for their good and for the common good of the country. It is a right thing.

I thank you.

Be Sure You Live in One of the Big Five

EXTENSION OF REMARKS
OF
HON. KARL E. MUNDT
OF SOUTH DAKOTA
IN THE SENATE OF THE UNITED STATES
Wednesday, September 27, 1961

Mr. MUNDT. Mr. President, electoral college reform remains one of the most urgent and significant challenges confronting this Republic. I continue to be hopeful that before the 2d session of the 87th Congress adjourns we may be able to approve and send to the States for ratification a workable, equitable congressional amendment to correct the inequities of our present electoral college system.

As one of the authors of Senate Joint Resolution 12—the so-called district plan for electing presidential electors—I believe this proposal incorporates the necessary reforms without injecting into our presidential elections any new elements of inequality or danger. Senate Joint Resolution 12 is an improved and modified version of the former so-called Mundt-Coudert amendment which developed nationwide support a year or two ago.

In connection with the need for electoral college reform, I hereby call attention to an interesting article appearing in the Omaha World-Herald of Omaha, Nebr., published September 26, 1961.

It is entitled "Be Sure You Live in One of the Big Five," and is written by John Jarrell of the Omaha World-Herald Washington staff.

I ask unanimous consent to insert this article in the Appendix of the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

WANT TO BE PRESIDENT?—BE SURE YOU LIVE IN ONE OF THE BIG FIVE

WASHINGTON.—Any native-born American boy or girl has a chance to grow up and become President, under the Constitution.

Right?

Right.

But listen to Mississippi's Democratic Senator JAMES EASTLAND:

"The dice are loaded against any child becoming President who was born in and wants to live in any State other than one of the five largest States in the United States."

Mr. EASTLAND had some research carried out, in connection with the Senate debate on rule 22 (cloture) to prove his point that the small States get the crumbs and the big ones the gravy.

By 10-year periods, he studied the five largest States, a list that varied through the years. At the time of the Constitution, for example, they were Virginia, Pennsylvania, Massachusetts, New York, and Maryland.

Today they are New York, California, Pennsylvania, Illinois, Ohio.

Of 30 Presidents elected on their own, said Mr. EASTLAND—passing those who succeeded and never faced the electorate for President—23 definitely came from the 5 largest States.

He dismisses five more for various reasons—Herbert Hoover is a Californian; California was not then one of the top five but soon entered the charmed circle, and besides Mr. Hoover was more a citizen of the whole country.

Similarly, he said, Benjamin Harrison was from Indiana (then sixth) but born in Ohio, in the fourth spot.

Texas-born, Kansas-raised Dwight Eisenhower lived in New York when elected, he said.

Mr. EASTLAND concedes that President Kennedy, from Massachusetts, is one elected from outside the big five. But he finds Franklin Pierce, of New Hampshire, the only President elected from a really small State (111 years ago).

Also, he said, major Cabinet jobs and Supreme Court appointments have largely gone to the populous five. Eight States (even before Hawaii and Alaska) have never had a Cabinet member. Twenty (not including the two new ones) have not had a Supreme Court justice.

"I challenge any one," said Mr. EASTLAND, "to consider these figures and to deny the inevitable conclusion that the small States and the people therein have been cut out and discriminated against in having a voice in the operation of the Federal Government."

The Senate, he contended, is the only bastion where they have such a voice.

Need for Immediate Nationwide Action on White House Conference Recommendations in Education for Aging

EXTENSION OF REMARKS
OF
HON. JOHN E. FOGARTY
OF RHODE ISLAND
IN THE HOUSE OF REPRESENTATIVES
Wednesday, September 27, 1961

Mr. FOGARTY. Mr. Speaker, under leave to extend my remarks I would like to include a speech I made recently at the New England Conference on Education for Aging at the University of Rhode Island, pointing up the need for immediate nationwide action on White House Conference recommendations in education for aging:

NEED FOR IMMEDIATE NATIONWIDE ACTION ON WHITE HOUSE CONFERENCE RECOMMENDATIONS IN EDUCATION FOR AGING

(By Congressman JOHN E. FOGARTY, New England Conference on Education for Aging, University of Rhode Island, Kingston, R.I., August 29–30, 1961)

WANTED: LESS TALK AND MORE ACTION IN AGING

Reverend Collins, Governor Notte, Mr. Bresnahan, Dean Browning, ladies and gentlemen, it was with sincere pleasure that I accepted the invitation to speak here today. I consider this New England Conference on Education for Aging to be one of the truly hopeful results of the White House Conference.

The Office of Education deserves a great deal of credit for its foresight in planning for the series of regional meetings to implement the recommendations of the Conference that are uniquely the responsibility of education and educators throughout the Nation.

I was glad to see the statement in the preliminary material for this meeting, sent out by your program chairman, that you are expected to develop "specific action recommendations" and not a "repeat of the recommendations which emerged from the White House Conference on Aging."

Those of you who have heard me speak before, on the subject of aging, know of my plea for action. I believe we have long since passed the stage where words can be substituted for tangible deeds. If we are sincere, we can start to build with the tools at hand and with the vast amount of information and knowledge we already possess.

I would not be honest with you, if I did not also share my disappointment in the lack of positive planning and action that has followed the national conference that was said by many to be "the beginning—not the end," "the launching pad," "a milestone for action," and other high-sounding promises. So far, these can be considered empty phrases, or professional oratory.

No conference is expected to perform miracles, but I do not think the American public was expecting too much, to believe that following all of the local and State meetings involving thousands of citizens, building toward a national conference that included the outstanding people in the field of aging, that there would be more reassuring activity than we have had to date.

Is it any wonder that meetings are being held to consider the political aspects of aging? The elderly are beginning to lose faith in those who speak in their behalf and are wondering whether the only recourse remaining is action through pressure. I hope this will never be necessary, but rather that we, together with the older persons may find answers to the complex situations that have resulted for this rapidly expanding segment of our population.

Your deliberations these 2 days can exert a very positive influence on the role that education will play in accepting and discharging its responsibility for the elderly who have earned the right to fair treatment and stand ready to share in the effort necessary to put words into action.

As I reviewed the background statements for the White House Conference and the policy statements developed at the meetings, I became aware of two recurring themes that seemed common to each: (1) The need to involve older persons in the research and planning for their age group, and (2) the need for further education at all levels and in every phase of the problem.

It would be presumptuous of me, in the presence of so many educators, to attempt to suggest the methods. Instead, I would like to suggest some of the areas where the need for additional information or education is apparent, if we are to face up to the Nation's second most challenging problem. Next to achieving peace, the problem of our aging is considered to be the most serious social problem of our time.

My list of areas requiring educational support and assistance is not complete, nor is it arranged in any way to suggest priorities. To some degree, they are interrelated.

1. The image of aging itself is old fashioned and inaccurate. We, of course, are vitally concerned with the problems of all older persons, but we have emphasized the indigent and senile aged and have neglected the elderly who are enjoying better health in their later years than at any time in our history. This group will continue to reap the benefits of the millions of dollars being devoted to research into every aspect of health that will benefit all age groups including senior adults.

I am aware that the theme of a recent conference was "Changing the Public Image of Aging." I am not aware, however, of any significant action that is being taken to accomplish it.

2. Ability still is not accepted as the basis for hiring and retiring—in spite of the studies that have proven older workers to be more of an asset than a liability. Who educates management to the point of removing age barriers to employment or replacing chronological age as the basis for separation?

3. Never before have we been so acutely aware of the housing needs of the elderly. New legislation offers greater hope for achieving the goal. But, who will convince local authorities to amend zoning restrictions and who will overcome the concept that homes for the aged are undesirable and breed future slum areas.

Perhaps even more discouraging to older persons are the age restrictions that exist in available housing. Even where they can afford to pay the rentals and apartments are vacant, individuals over 50 and 55 are being rejected as undesirable—too old.

4. Much has been said about the need to introduce an understanding of the problems of aging at the earliest reasonable period in our educational program. Who is preparing or revising the curriculums and textbooks? Who has trained the instructor to teach the material?

5. Everywhere I hear about the need for professionals in the field of aging. Where are such courses being given? Is there sufficient subject matter and research to establish a collegiate degree in the field of aging?

6. For the retired persons who may be bed- or home-bound and for others who depend on television for filling time—what kind of educational viewing is beamed toward them to challenge their minds, overcome illiteracy for some, and to train them for more responsible senior citizenship?

7. Where are the educational programs needed to supplement earlier training? It was recently said that doctors and others who have worked in the medical field for any length of time should attend graduate courses or seminars in geriatric psychology. For whom and by whom should such sessions be arranged?

8. With shortages in teacher supply or teacher assistants what efforts are underway to take advantage of the experience and talents of the thousands of retired teachers who are interested and willing to serve?

9. Preparation for the later years is recognized as the key to successful retirement. But at best, it is still being scheduled on a hit-and-miss basis. Who should sponsor such training, and by whom should it be given?

You can and will add other areas to my nine-point list in your deliberations, but it is unmistakably clear that there is a job to be done at every educational level and by every available educator.

I would hope that every first-rate college and university throughout the Nation would develop a program for its retired alumni that would make it financially feasible and possible for them to return to the campus to participate in programs that will keep them interested and alert throughout their later years.

Adult education leaders in every community should consider ways to bring the instruction to the retirement or nursing homes—either in person or by way of educational television.

Under the cooperative research program of the Office of Education, grants can be made for programs in aging. This law has been in effect for several years, but to my knowledge the University of Michigan has submitted the only acceptable application to be approved. Following this series of meetings across the Nation, there should be many dynamic projects initiated, under this research program, that will give real meaning to the authorizing legislation.

Before closing, I would comment on two recommendations that I made when I last spoek on the subject of aging in this region: (1) That a regional center on aging should be established on this campus, and (2) that I would introduce legislation establishing a Federal Commission on Aging.

Plans are well along for the regional center, meetings have been held on the campus and in Washington to identify distinguished leadership for the project and to establish guidelines for grants. It is appropriate that the University of Rhode Island serve as host for this regional meeting.

As you know, I introduced my bill H.R. 2238 to establish a Federal Commission on Aging immediately following my remarks at the opening session of the White House Conference on Aging. I expected an action program to be submitted by the Department of Health, Education, and Welfare.

During the hearings on the Department's appropriation, I severely criticized their representatives for failure to give leadership to a Federal program in aging. These remarks I also included in the report of the hearings. Because I believed action could not wait for the next session of Congress, I scheduled hearings on my bill for a Federal Commission on Aging.

Representatives of the Department of Health, Education, and Welfare advised me of several organizational changes and expressed a sincere interest in initiating an immediate program of action. Rather than divert any staff from this goal, I had the hearings on my bill postponed.

Confirming my action to postpone the hearings, I wrote to Secretary Ribicoff and raised seven basic questions that I believed required answers, if the Department were to demonstrate its interest and support of a program that would measure up to the known needs and provide the leadership expected of the Department that expends two-thirds of the money spent by the Federal Government for services and benefits for older persons.

Briefly the questions covered: my concern for the failure of the Federal Council to carry out a dynamic interdepartmental program; the need for more direct and effective channels for initiating legislation and public relations activity; the assurance, that following the White House Conference, the relationship with national organizations, the vital place of the regional representative on aging, and the continuation of projects begun under the conference act would not terminate with the final report of the meeting.

I also expressed my deep conviction in maintaining a bipartisan approach to the entire field of aging and the desirability of a citizens advisory group.

It would have been far better for the expanded program to have been included in the regular budget proposals. However, I advised the Secretary of the possibility of a supplemental appropriation and the need for immediate action.

I have been assured the Department will submit a supplemental request for funds that will make it possible to expand staff, authorize grants for research, training, and demonstration projects in addition to those presently permitted under existing authority. Also, it is my understanding that a nonpartisan advisory committee will be named by the Secretary.

If all of this comes to pass, I believe we would all agree, that we are off to a good start. The success of the Department's program will not depend entirely on their efforts, but the combined efforts of Government at all levels, with interested volunteers and private organizations and most important of all—the energy, imagination, and support of citizens of all ages throughout the Nation.

Your efforts here will make a significant contribution toward the responsibilities of the Office of Education in the total departmental program. I must say the Adult Education Section of the Office of Education has a headstart with one regional conference completed, with this one well under way, and the planning for the seven others nearly completed.

We can all hope that statements like the following quotation may by eliminated if our efforts are successful. It reads, "Never have so many said or written so much about a class of people so old. Everywhere you look is an article, a speech, an interview, or theory expounded about retirement. People just retired, or about to retire, must be getting self-conscious. But there is one peculiarity about this flow of concern and counsel regarding senior citizens. It is full of paradoxes—exact opposites approaches."

I do not suggest that we shall all suddenly agree on a single answer to each of our problem areas. We are dealing with individuals, separately molded, with widely different backgrounds and experience gained during an earlier 40 or 50 years.

As the article states further, "It takes all kinds, and these days all kinds grow old." To which we may also add—that by whatever route an individual reaches later maturity, he never surrenders his right to independence or dignity—and he never loses his desire to be needed and appreciated.

For those of us who believe that education is a lifelong experience, the task before us, though broad and uncharted, will give a special measure of deep personal satisfaction.

At a time in world affairs when all available manpower and every existing talent needs to be alert, prepared, and strong, we dare not falter or delay in our efforts to recognize and reclaim the vast army of senior soldiers who have served and whose experience and wisdom are still very much needed. Time is of the essence—the deadline for action is now.

What Happens to Our Foreign Aid to Colombia, South America?

EXTENSION OF REMARKS
OF
HON. KARL E. MUNDT
OF SOUTH DAKOTA
IN THE SENATE OF THE UNITED STATES

Wednesday, September 27, 1961

Mr. MUNDT. Mr. President, on August 26 an arresting and significant news story appeared in our Nation's press—describing the curious fact that Lauchlin Currie is in the front ranks of planners in Colombia, South America, who will determine the use made of American taxpayers' dollars loaned or given to that country.

I think all Americans should read this news dispatch and then ponder the news commentary by Richard Starnes which deals with this almost unbelievable situation.

I ask unanimous consent that both the news dispatch and the news commentary be placed in the Appendix of the RECORD.

There being no objection the articles were ordered to be printed in the RECORD, as follows:

LAUCHLIN CURRIE TO HELP SPEND U.S. LATIN AID

WASHINGTON.—Lauchlin Currie, who chose to stay out of this country rather than face inquiries on Communist Party associations, is in the front ranks of planners in Colombia whose task it will be to spend American money allocated under the newborn Alliance of Progress.

Mr. Currie, on the White House staff from 1939 to 1945 and a former World Bank employee, went to Colombia in 1950 as a private consultant to reorganize the Government's administrative setup for a $150,000.

A year later the Senate Internal Security Subcommittee began its mammoth investi-

gation of the Institute of Pacific Relations and related matters concerning the fall of China to the Communists. Elizabeth Bentley, confessed Red spy, testified that Mr. Currie had cooperated with an underground group of the Communist Party and had been one of her informants.

LINKED WITH IPR

Mr. Currie was also listed as a member of the board of trustees of IPR in 1946. Members of the organization were linked by the Senate committee to propaganda activities which aided the Communist takeover in the Far East.

In 1953 a report by the Federal Bureau of Investigation was made public which listed Mr. Currie as a supplier of documents to a Russian spy ring.

Rather than answer questions concerning the Bentley testimony, Mr. Currie chose to remain in Colombia. His U.S. citizenship was revoked late in 1955 because he had remained outside this country longer than the 5 years permitted for naturalized citizens.

Information received here from the Colombian-American Chamber of Commerce gives the details of Mr. Currie's plan, which he calls Operation Colombia. A Spanish language newspaper received here also outlines the plan in an interview with Mr. Currie.

The former Roosevelt assistant is identified in both as a consultant of various Colombian planning and economic boards. No official word has been received from the American Embassy in Bogotá on Mr. Currie's role, however.

The Currie plan presented to Colombian officials would combine land reform and industrialization. He recommended breaking up the land into small, highly mechanized farms operated by their owners. He suggested moving 1,500,000 people from rural areas into Colombia's four most populous cities to strengthen homebuilding, public works, and factory output.

NEW HAUNT TO J.F.K.

(By Richard Starnes)

NEW YORK, August 25.—A mysterious, half-forgotten figure who was branded a fellow in the consortium of Communist spies that operated in the New Deal days has returned to haunt President Kennedy's Alliance for Progress program in Latin America.

He is Lauchlin B. Currie, a former administrative assistant to F.D.R. Mr. Currie, now a citizen of Colombia, was frequently mentioned in congressional investigations as a tool of the Soviet spy apparatus in Washington. In 1953 the FBI named him as a procurer of Government secrets for Communist spies. Elizabeth Bentley, a former courier for a Communist espionage network, testified that Mr. Currie's job was to steal White House secrets for the spy ring.

The former White House aid hotly denied all the charges under oath. But in 1950 he left the country and settled in Colombia, where he became an occasional adviser to the Colombian Government. In 1955 his U.S. citizenship was revoked on the ground that Mr. Currie, a native of Nova Scotia who was naturalized here in the midthirties, had automatically forfeited his citizenship by remaining outside this country for 5 years.

I can find no record that Mr. Currie protested revocation of his U.S. citizenship. In 1954 he married a Colombian national, and so far as the record goes has not set foot in the United States since. The State Department, however, glumly asserted that it had "heard" Currie had been in New York recently.

I have been unable to check this tidbit of information at this writing. The State Department, of course, has ample reason for its uneasy interest in the doings of Mr. Currie, erstwhile accused cat's-paw of Soviet espionage and current adviser to the Government of Colombia.

Mr. Currie, for all his fragrant record in Washington, is the author of an economic development plan which is now under serious study by the Government of Colombia. If it is adopted it will become the blueprint for spending that nation's share of the multibillion-dollar alliance for progress fund.

Mr. Currie's plan, according to State Department sources, is a far-out scheme for "forced draft" industrialization of Colombia. It envisions, among other things, "effective" industrialization within 2 years—a goal which experts regard as wildly unrealistic. Another aspect of Mr. Currie's blueprint involves the mass removal of much rural population to proposed industrial areas.

Concerned as it is over the harebrained Currie plan, our State Department has carefully avoided making any suggestion that the Colombian Government reject it. Any representations now, the State Department is afraid, would be misunderstood as meddling with Colombian sovereignty.

But the fact is that our officials would be in an equally embarrassing dilemma if a Latin American government offered a crackpot blueprint in a bid for Alliance for Progress funds. If the Colombian Government, for example, adopted the Currie "forced draft" proposals, and this country then rejected them, it would be interpreted as a tremendous affront by Colombia.

Washington officials, who are frankly unhappy over the whole mess, are hoping such subtle hints as have been dropped in Bogotá will be enough to torpedo the Currie scheme without damaging our relations with Colombia.

The Captive Nations and House Resolution 211

EXTENSION OF REMARKS

OF

HON. DANIEL J. FLOOD

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 27, 1961

Mr. FLOOD. Mr. Speaker, it was heartening to witness the call of the President for a full-scale discussion of colonialism in the United Nations Assembly. Millions of Americans who recognize the basic strategic value of all the captive nations in a cold or hot war are looking forward to this eventuality. We hope, though not without some misgivings about our present abilities, that the facts on Moscow's colonialism, both within and outside the Soviet Union, are fully and courageously disclosed.

In submitting House Resolution 211 last March to create a Special House Committee on Captive Nations, it was one of my aims to prepare for such an occasion. The work of such a committee would be a continuing source of data, information, and ideas on Moscow's colonialism, useful not only to our executive agencies but also to the American public at large. In January we shall intensify our efforts to create this necessary committee.

The interest of our people in the captive nations is profound and widespread. I have shown this week after week in the letters and documents placed into this RECORD. Continuing this policy, I, under unanimous consent, include the July 18 editorial on "We are Guardians of the Flame" in the Dayton Daily News in the RECORD. I also include the editorial on "The Captive Nations" and the reproduced article on "The Myth of Soviet Unity," written by Dr. Lev. Dobriansky, of the Georgetown University, in the RECORD. Both pieces appeared in the April–June 1961 issue of Newsletter From Behind the Iron Curtain.

The articles follow:

WE ARE GUARDIANS OF THE FLAME

Captive Nations Week is something more to mourn than celebrate.

It irks Premier Khrushchev no end that America marks this week, calling the world's attention to Hungarians, Bulgarians, Czechs, Poles, Albanians, Lithuanians, Estonians, Latvians, East Germans, Tibetans, Chinese, the Russians themselves, and others who live without freedom.

The East Germans, now pouring into West Berlin at the rate of 1,000 a day for fear a separate treaty with the Soviet Union will close their escape hatch, are luckier than most. The Hungarian blood bath still recalls what happens when people under communism dare to assert their rights at home.

Khrushchev himself made history, as he fought his way to the top in the Kremlin inner circle, by denouncing the dead Stalin as a ruthless egomaniac. Yet while the old dictator lived, Khrushchev was a fawning slave, joining in hymns to Stalin. He became top dog too recently to forget what the underdogs are thinking and hoping.

The hope of the enslaved is with us who possess freedom. It is the hope that, if we can keep the spark of liberty alive, it will spread, eventually, to their own lands. Old weapons backfire and old diplomacy is ineffective in this grim epoch, but to forget the captive is to stand in danger of falling captive.

THE CAPTIVE NATIONS

The captive nations are testimony to the fact that we cannot do business with Communists. Americans should remember that there is not a single nation or territory under communism which did not have relations with the Soviets. Moreover, the more high-sounding the treaties and agreements made with the Soviet Empire, the quicker and more absolute was the enslavement. By studying the captive nations for the lessons they can teach we learn that:

1. Red Russia cannot be contained by disarmament pacts, cultural exchanges, windy debates, give and take agreements, appeasement.

Rather, the seed of communism's destruction lies within itself. The conquered are longing and planning for their freedom. To shake hands with Khrushchev—or with the one who may soon replace him and start the cycle over again with friendly smiles and lofty proposals—is to snuff out the captive's spark of resistance, a weapon against our own enslavement. For our own sake, therefore, we should work to keep Americans aware of the present state of the captive nations and of the best natural hope for our victory, which comes from them.

2. The strongest advantages of the enemy are not military, but political and psychological.

It was not armed might that locked the galling chains about necks of the captive nations. Although Russia's greatest conquests occurred in times of war, the armies came second. First there came subversion in government; the puppets of appeasement assured the people that peace, friendship, and freedom were to be the gifts of cooperation with the Reds. In education, traditional moral standards and patriotism

were held up for examination as curiosities, and then suppressed. In communications, what the people should not know was not reported and what they could know was subtly distorted. The string about each nation's throat became a cord, and the cord became a rope, and the rope eventually became an iron chain. We must be totally prepared militarily; but no amount of armed might will protect us if we rot—from within.

If all we know is what is in the refrigerator, what is on TV, how much gas is in the car, and which cigarette pleases most; if all we have time for is luxury, then we should hoard well our comforts, for we have not long to enjoy them. We must have time, even in the name of selfishness, to learn and teach the lessons of the captive nations, to win this war of politics and psychology which the Soviets have declared.

3. To work for our own preservation, we must work toward liberation of the captive nations.

It is foolish to talk about keeping ourselves and the rest of the free world from Communist domination without planning the liberation of the enslaved 900 million freedom fighters. Waging ideological, political, phychological war is the way. The free world must become absorbed, in international dealings, with the subject of the captive nations. Every reliable report of Red suppression of the enslaved must become subject to investigation by the free world.

Young Hungarians, who as children joined the 1956 uprising, remain in prison today, some to be executed at the age of 18, others to bear the physical and mental tortures inflicted in an effort to convert them to communism. Hungarian parents see their preteen children marched off each summer to camp where they are thoroughly indoctrinated. If these parents believe that free peoples are resigned to appeasement, we cannot expect them to correct repeatedly the lies taught their children. Therefore, given enough Khrushchev visits, there will be no captive nations a generation hence, but only Communist nations.

Within Russia itself, as we think of it, there are entire nations of enslaved, suffering people. In 1937 Khrushchev was sent to the Ukraine. He systematically liquidated 400,000 men, women, and children. This purge of a national group was the bloodiest in history until 1943, when Krushchev returned to the Ukraine and repeated his terrible slaughter on a large scale.

The sufferings of the captive nations are beyond comprehension. Justice and charity demand we preface any evaluation of peaceful coexistence with consideration of the plight of Albania, Armenia, Azerbaijan, Bohemia, Bulgaria, Byelorussia, Caucasus, China, Cossackia, Croatia, East Germany, Estonia, Georgia, Hungary, Idel-Ural, Latvia, Lithuania, Macedonia, North Vietnam, Poland, Rumania, Slovakia, Slovenia, Tibet, Turkestan, and White Ruthenia.

It is not practical to negotiate on other matters without insisting on freedom for the enslaved; for by doing so we write off the millions who look to us for help, we invite further Communist aggression, we become slowly reconciled to surrender via default.—The Patrick Henry League Special Edition, 1960.

THE MYTH OF SOVIET UNITY

Dr. Lev. E. Dobriansky has written an excellent article entitled "The Myth of Soviet Unity," which expodes a number of generally accepted misconceptions. Dr. Dobriansky, associate professor of economics at Georgetown University and staff member of Georgetown's Institute of Ethnic Studies, is an authority on the Soviet Union and communism, whose views have been widely quoted in leading newspapers, governmental studies, the CONGRESSIONAL RECORD, and in many scholarly publications.

Representative EDWIN B. DOOLEY, of New York, has included the article in the CONGRESSIONAL RECORD of the 86th Coongress, May 4, 1960, with his remarks. We republish the article as follows:

"The U.S.S.R. is a giant with clay feet—a restless conglomeration of many unwilling nations held in bondage by masters of deceit in Moscow. Soviet strength depends largely on hiding this fact from the world.

"POPULATION FIGURES

"The U.S.S.R.

"Russians, 96 million; non-Russians, 114 million; Estonia, 1,200,000; Latvia, 2,100,000; Lithuania, 2,700,000; Byelorussia, 10,300,000; Ukraine, 42 million; Cossackia, 10 million; Idel-Ural, 15 million; Georgia, 4 million; Armenia, 1,800,000; Azerbaijan, 3,700,000; Uzbek, 8,100,000; Turkmen, 1,500,000; Tadzhik, 2 million; Kazakh, 9,300,000; and Kirghiz, 2 million.

"Figures based on U.S.S.R. census, 1959.

"Propaganda is the Russian Communists' most important weapon in the cold war. Out of a strange mixture of truths, half-truths, and bald lies, they have cunningly devised an amazing system of deception. Chief among their deceits is the myth of Soviet unity.

"This myth is kept alive only as long as we remain ignorant of the facts. It is high time we exploded the myth with knowledge of the truth.

"What Americans do not know about Russia came to light painfully last July when a joint resolution, unanimously passed by Congress, called for the observance of Captive Nations Week. Now Public Law 86–90, this congressional act is the first official recognition which our Government has made of the existence of non-Russian nations within the Soviet Union.

"The act of Congress mentions many captive nations without and within the U.S.S.R. borders. Deceived by Russian propaganda Americans had long thought of captive nations only in terms of the satellites in eastern and central Europe.

"When the resolution was made public, reporters, commentators, and the public inquired, 'Where is White Ruthenia? Where is Cossackia?' Many admitted that they had never heard of Idel-Ural or Azerbaijan or even Turkestan. Meanwhile a number of writers and analysts continued along their merry but blind way to apply this act of Congress solely to those minority captive nations in central Europe.

"Those who investigated the situation were astonished to discover that there are more captive nations within the U.S.S.R. than there are without. They were surprised to learn that the people of those captive nations within the Soviet borders outnumber all the Russians combined.

"When the joint resolution was passed few Americans appreciated this fact. But Khrushchev did. Knowing the implications of President Eisenhower's proclamation of Captive Nations Week, he exploded.

"Khrushchev was aroused because he wants to hide from the free world the fact that Russia, although a political giant, is a giant with clay feet—a giant whose framework is made up of many different strands.

"We must understand some important distinctions between tribes, nations, states, voluntary federations, and tyrannically constructed empires.

"The state, it should be noted, is simply the political aspect of the nation. Sometimes you have several nations voluntarily existing in one state, as in Switzerland. Again, you may have a nation being ruled, in separate parts, by two governments, as in Ireland. Again, many nations, against their will, may be politically and tyrannically controlled by one superimposed government, as in the Soviet Union.

"After World War I, the present captive nations within the U.S.S.R., were newly independent states. In the collapsing Russian empire, after World War I, Lithuania, Georgia, Armenia, and other non-Russian nations, declared their political independence. They were free of czarist control. Furthermore, they had no mind to submit to Communist control from Moscow. They established themselves as free democratic republics. Ukraine and Georgia were even recognized as separate states by Lenin's Soviet Russia.

"We remember well the tragic fate that overtook independent Lithuania, Poland, Hungary, and others in the forties. But what most of us forget is that similar tragedies befell Georgia, the Ukraine, White Ruthenia, and others in the early twenties. Trotsky's Red Russian Army had picked them off one by one after softening them up by infiltration, subversion, propaganda, etc.

"By 1923, following the first wave of Red Russian imperialism, these non-Russian nations were forced into the spurious federation called the Union of Soviet Socialist Republics. Because of their large populations and their natural resources, these non-Russian nations formed the base for Moscow's further imperialist thrust into central Europe. Currently, they form the base for Russian colonial designs in the Middle East, Asia, and Africa.

"Yet—and here is a basic point which Americans must grasp—these non-Russian nations within the U.S.S.R. have not passively accepted the Soviet yoke. Each decade, since the twenties, has seen serious friction, resistance, even open rebellion, scald the hand of their Moscow masters.

"This struggle continues. Not a month goes by that Moscow does not launch a fresh attack against this nationalistic trend. Indeed this opposition to Moscow pressured Stalin to bid for the inclusion of Ukraine and Byelorussia as original members of the United Nations. From time to time, Moscow finds it expedient to pretend that the non-Russian republics are independent. Amendments to the U.S.S.R. Constitution provide for these republics to have their own war ministries and to enter into direct diplomatic relations with other states. Moscow clearly does not underestimate the reality of these restless nations.

"In December 1957, Khrushchev addressed the Supreme Soviet in Ukraine. He referred to Ukraine as 'a truly free and independent nation.'

"But Nikita Khrushchev is not fooling the Ukrainians—and he dreads their genuine nationalism. Even during the illusory 'spirit of Camp David' his agents in Munish assassinated the Ukrainian nationalist leader, Stefan Bandera, and, under the economic disguise of 'voluntary resettlements, Khrushchev is currently engineering the deportation of families from western Ukraine to central Asia and the Crimea.

"These non-Russian nations within the Soviet borders are ancient peoples with long histories and periods of national freedom. Ukraine has 42 million people, the biggest non-Russian nation within the U.S.S.R. The three Baltic nations number 6 million; White Ruthenia (Byelorussia), 10.8 million; Georgia, 4 million; Armenia, 1.8 million, Azerbaijan, 3.7 million; and Turkestan, purposely divided by Moscow into five 'republics,' (Kazakh, Tadzhik, Kirghiz, Turkmen, Uzbek), 22.9 million. Add to these some 10 million ethnic and nationally conscious Cossacks located above the Caucasus, and about 15 million Moslems concentrated in the Idel-Ural (Volga-Ural) country, and you wind up with the sizable figure of about 114 million people. This figure covers only 11 compact ethnic and national non-Russian units. There are many small tribal units besides. The Russians number 96 million. Kremlin propaganda concerning the eco-

nomic progress of the U.S.S.R. would take on a different color if it were subjected to the searching light of reality.

"Moscow is supervising an uneasy conglomeration of many nations within the borders of the U.S.S.R. and a restless system of additional colonies outside its borders.

"An economy based on extensive captive resources can hardly be compared with a free national economy. Most of the resources within the U.S.S.R. are concentrated in non-Russian areas: agriculture in Ukraine, Turkestan, and Georgia; coal in Ukraine and Turkestan; oil in Azerbaijan and Idel-Ural; 90 percent of the manganese in Georgia and Ukraine; iron ore in the Caucasus and Ukraine. Turkestan, three times the combined size of Britain, France, and Germany, alone accounts for about half the copper, lead, zinc output, and is also rich in bauxite and silver.

"Soviet propaganda concerning the military might of the U.S.S.R. also acquires a different shade of meaning when confronted with facts. Forty-three percent of the armed forces of the U.S.S.R. is non-Russian. Even apart from likely Russian defections, this is most significant. As for potential Ukrainian, Russian, and other defections, Hungary has furnished the most recent example of what may happen.

"Despite their inner weaknesses, the Russians have not only manufactured a myth of unity and invincible strength but they have managed to have the myth accepted by America. They myth has been swallowed not only by the public but by newsmen, commentators, columnists, and political leaders in high levels of government. A few examples:

"The New York Times, October 21, 1958: 'Cardinal Agagianian is Russian by birth, having been born near Tiflis.' This statement makes about as much sense as asserting that 'Cardinal D'Alton is English by birth, having been born in the British Empire.' Cardinal D'Alton is Irish and Cardinal Agagianian is Armenian.

"Returning from a visit to the U.S.S.R., Adlai Stevenson wrote: 'Russia is still a land of sharp and vivid contrasts.' He meant the U.S.S.R.

"Last July the Governors' report on the Soviet visit was issued. Referring to the United States and the U.S.S.R., the report stated: 'Ways must be devised for the people of these two major nations to understand each other.' Even Khrushchev, speaking to various peoples within his empire, would not go so far as to call the U.S.S.R. a nation.

"We would expect the U.S. Office of Education would be correctly informed. Yet, in its 'U.S. Mission's Report on Education in the Soviet Union,' we read: 'The one fact that most impressed us in the U.S.S.R. was the extent to which the nation is committed to education as a means of national advancement.' Actually, our Government still recognizes the free governments of Latvia, Lithuania, and Estonia.

"I can almost hear my readers complaining that I am indulging in semantics. But this is not merely semantics. Senator John F. Kennedy would resent it very much if people kept calling him Richard M. Nixon and vice versa. Everyone likes to retain his own identity, his own background, character, and intentions. So do peoples and nations.

"The cold war today is being waged basically on the propaganda level. Hearts and minds of men are the primary targets. This has always been Russia's empire-building mode of attack. But Moscow's lies will eventually smash themselves against the hard reality of truth. Truth makes men free—and we can begin to triumph over imperialist Russian totalitarianism once we replace our misconceptions of Russia with knowledge of the truth. The captive nations resolution was a start. It is tragic that Moscow knows this better than we."

Will This Administration Stand Firm on Red China and Outer Mongolia?

EXTENSION OF REMARKS
OF
HON. KARL E. MUNDT
OF SOUTH DAKOTA
IN THE SENATE OF THE UNITED STATES
Wednesday, September 27, 1961

Mr. MUNDT. Mr. President, as Congress concludes its 1st session of the 87th Congress, one of the great questions confronting the country is whether the J.F.K. administration will take the necessary steps at the United Nations to prevent the admission of Red China and Outer Mongolia—two Communist countries whose every effort in the U.N. would be to injure the cause of freedom and advance the cause of Russian communism.

I call attention to an editorial in the August 12 issue of the Saturday Evening Post on this subject and also to a radio editorial aired by Mutual Radio on the same subject. The radio editorial was presented on August 5 by Robert F. Hurleigh, president of MBS. I ask unanimous consent that the editorials be printed in the Appendix of the RECORD.

There being no objection the editorials were ordered to be printed in the RECORD, as follows:

WHEN DID OUTER MONGOLIA CAST OFF ITS RED SHACKLES?

For some reason the State Department appeared surprised because Chiang Kai-shek was said to be upset by reports that Washington was about to recognize Communist-satellite Outer Mongolia as an independent republic worthy of a seat in the United Nations. Ambassador Everett Drumright was called back to Washington from Formosa, presumably to be given instructions on how to explain to the generalissimo that our trafficking with Outer Mongolia was just a little shenanigan between the United States of America and the U.S.S.R. which needn't mean anything to Formosa.

But what in the world is the point of giving non-Communist Asia even 5 minutes of the shakes to revive this often-exploded notion that Outer Mongolia is independent? If President Kennedy or Dean Rusk or whoever is responsible for this bizarre idea would brush off the published hearings on the Institute of Pacific Relations—before Senator Patrick A. McCarran's subcommittee in 1952—the ancestry of this hoary heresy would expose its shabbiness. On page 4522 et seq. of the aforementioned hearings is the testimony of William C. Bullitt, our first Ambassador to the Soviet Union. Mr. Bullitt testified that Owen Lattimore, an expert on the Mongolian question, came to him in Moscow early in 1936 on the way from a visit to Outer Mongolia. Lattimore, according to Bullitt's testimony, urged Bullitt to recommend to President Roosevelt that Outer Mongolia be recognized as a "fully independent" republic.

"I asked him," said Mr. Bullitt, "if there was no Soviet control of the People's Republic of Outer Mongolia. And he replied there was no Soviet control whatsoever. I asked him if the GPU, which at that time was the title of the Soviet secret police, had no control there, and he said they did not, that the Mongolian People's Republic was independent and that his advice, which he urged me to telegraph at once to President Roosevelt, was that the American Government should immediately recognize the independence of the Mongolian People's Republic."

All this came as quite a shock to Mr. Bullitt because only a month earlier he had had a revealing conversation with an old acquaintance of his, an assistant commissar named Karakhan, who had been quite active in Outer Mongolia on behalf of the Soviet foreign office, Karakhan, according to his own statement, was sent to Outer Mongolia in 1934 to finish off any signs of restiveness under Soviet control. On his return to Moscow Karakhan called on Bullitt at the U.S. Embassy.

"I said to him that I had heard he had been out there to finish off the People's Republic of Outer Mongolia, or rather any signs of independence in it, and he said that indeed he had, but it was a very small affair." Explained Karakhan, "After all, in a country of nomads there are only 300 or 400 people that count, and all I did on a given night was to have about 400 people seized by the GPU agents in the army and police force, and I had them shot before dawn and installed the people that the Soviet Government wished to have installed."

It seemed incredible that a Soviet official would be so frank with a foreigner, but Mr. Bullitt assured the committee that he had known Karakhan since 1919 and that they were, as the phrase is, "just like that."

Mr. Bullitt also knew, before the arrival of Lattimore in Moscow, that the U.S.S.R. had signed a protocol of mutual assistance with Outer Mongolia and that the Chinese had made "the strongest kind of a protest" against the infringement of the sovereignty of China. "I was obliged to conclude," said Mr. Bullitt, "that either Mr. Lattimore knew nothing about the subject on which he was supposed to be the leading American expert or that he was deliberately attempting to assist in the spread of Communist authority through Asia. I left the matter * * * with a question mark in my mind."

Recently Mr. Lattimore visited Outer Mongolia again, and this time his pet project, which has been turned down repeatedly, seems about to be accepted. Why? If Outer Mongolia is any less a Soviet satellite than it was in 1936, evidence is lacking. Isn't this where we came in?

EDITORIAL BY MUTUAL RADIO

The issue of China and the United Nations, which has been under discussion in Washington all this week, is a serious one. In all probability, we will suffer a major defeat at the General Assembly meeting next month. We just do not have the votes any more to prevent Communist China from gaining admission to the world body. In the General Assembly the United States is just one vote among 99, a nation known as the Upper Volta, for example, has as much voice—the same vote—as we do.

For some reason, the so-called neutralist nations are perfectly willing to overlook the bloody track record of Communist China and vote for it. They do not seem to realize, or care, that what they are voting for is to condone gangsterism, murder, and tyranny.

The U.N. has had its share of reversals. But its blackest day will be the one on which it admits Red China.

Goals of the New Frontier: Agriculture

EXTENSION OF REMARKS
OF
HON. LESTER R. JOHNSON
OF WISCONSIN
IN THE HOUSE OF REPRESENTATIVES
Wednesday, September 27, 1961

Mr. JOHNSON of Wisconsin. Mr. Speaker, thus far in 1961, the Kennedy administration has sparked more constructive action on the critical problems of boosting farm income and managing

our food abundance than had been recorded through all the previous 8 Republican years. Under leave to extend my remarks, I would like to include in the RECORD a résumé of the accomplishments of this administration and the 1st session of the 87th Congress in the field of farm legislation.

Executive and congressional actions since Inaugural Day have improved the position of farm families in terms of income, morale, and prestige.

We have, indeed, come a long way since the 20th day of January.

Here are just five of the steps:

First. Net farm income in 1961 will be about a billion dollars above the total for 1960—the last of the do-nothing Benson years.

Second. In cities and towns across the land there is a growing appreciation for farm families and their ability to produce abundance for what they really are—blessings. The last administration's concept of farmers and abundance as burdens, as a basis for frustration and admission of failure, is fading away under the impact of truth.

Third. The family farm is again recognized as a fundamental part of the free enterprise system and a major contributor to a rich and rewarding social, spiritual, and cultural life.

Fourth. The farmer has been returned to full citizenship status through a strengthened system of farmer-administration of agricultural programs, through expanded use of farmer-advisers in mapping policies at the Washington level, and through the administration's clearly expressed confidence in the ability and the willingness of farmers to utilize self-help opportunities in production and marketing management, and;

Fifth. Full recognition is being given to the need for coordinating farm and food policies, so consumers and producers may share equitably in the benefits of abundance.

Mr. Speaker, we have come a long way. Yet, as every farm family knows, we still have a long way to go—and President Kennedy, Secretary of Agriculture Orville Freeman, and Members of the Congress who share their philosophy and their goals know it, too.

The solution to the farm problem, President Kennedy said in his first farm message to the Congress, "lies not so much in severe restrictions upon our talent to produce as upon proper channeling of our abundance into more effective and expanded uses. American agricultural abundance can be forged into both a significant instrument of foreign policy and a weapon against domestic hardship and hunger."

And, in combination with those objectives, the President added this significant point:

> It is also our purpose to insure that the farm family that produced this wealth will have a parity in income and equality in opportunity with urban families—for the family farm should be protected and preserved as a basic American institution.

As he took over direction of the Department of Agriculture to administer programs aimed at achieving the administration's goals, Agriculture Secretary Freeman left no doubt about his will to put vitality and purpose into remedial action—and to do it with an all-out appreciation for the need to act right now.

"We can neither ask nor expect an indefinite continuation of programs and policies under which the U.S. Government pays ever-increasing amounts for stockpiles of commodities that threaten to become evermore unmanageable," he declared. "Nor," he added—and this is the guideline for the Secretary's efforts—"can we either ask or expect that the American farmer shall continue to invest his capital, his labor, his skill and his management ability for a reward that is not only shockingly below the national average but substantially below any accepted American standard for a minimum wage."

Words, of course, can carry purpose and promise, but they are meaningless unless they lead to deeds.

What has been done by the President, the Secretary of Agriculture and the Members of the House and Senate who have a sincere concern for the welfare of farmers?

Mr. Speaker, the first big effort was in the field of bringing the supply of feed grains into balance with current and carryover needs, and out of this push came the emergency feed grains program of 1961. It was adopted by the Congress in the face of almost solid Republican opposition, and then adopted by farmers in the major feed grains areas with an enthusiasm that surprised supporters and shocked critics.

The widespread willingness to cooperate in this initial nationwide program of the new administration proves three things:

First. Farmers are willing to face up to the proposition that price stability must be accomplished by supply management;

Second. Farmers are convinced the administration has both sincerity and stamina in its approach to farm and food problems; and

Third. Farmers have a revived faith in their stability to work with one another, using the facilities of Government to do that which they cannot immediately do for themselves, in the interests of farm welfare and the general welfare.

You will hear increasing complaints that while the 1961 feed grains program has reduced acres devoted to corn and grain sorghums it has not reduced the tonnage of these feeds. It is true that in anticipating production there must be primary dependence upon averages—and in much of the Corn Belt this year perfect growing conditions have brought per-acre yields above average. But no farmer who has ever experienced drought or flood or heavy insect infestation—and no farmer has ever escaped them all—finds fault with nature when she provides sun and shower and temperature in perfect proportion. He accepts this good fortune gracefully, and so does his Department of Agriculture.

Yet the fact remains we are going to consume more feed grains in the year ahead than we produce in 1961—and this will be the first dent made in the carryover in a long, long time.

The feed grains bill was followed by the introduction in Congress, and the passage, of the Agricultural Act of 1961. When President Kennedy signed this bill he signed the most comprehensive piece of farm legislation our Nation has seen since the thirties.

It extends the feed grains program for another year, it provides facilities for adjusting the wheat supply that growers later approved in a referendum, it strengthens the role of food as an instrument of foreign policy, it makes credit a more useful tool in maintenance of the family farm system, it widens the opportunities for self-help programs through the avenue of marketing agreements and orders, and it continues the wool program and the programs for conserving our soil and water resources.

Mr. Speaker, Secretary Freeman has called the Agricultural Act of 1961 a license for hard work—by the Department of Agriculture, and by farmers who want to play a role in repairing the income leaks in their own industry while feeding our own Nation and helping meet the food needs of the free world.

I can assure you, on the basis of association and observation, the Secretary of Agriculture is using this license and will continue to ignore the limitations of both clock and calendar in agriculture's interests. But he can't go it alone. He and the President need an understanding Congress and cooperative farm families.

The Kennedy administration has not lost sight of the fact farm families must live while seeking to make a living, and that housing, electricity and telephone service figure prominently in living standards.

The pace of Rural Electrification Administration activities has been accelerated. Generation and transmission loans are being evaluated with the aim of protecting the security and effectiveness of REA financed systems—systems which, I remind you, are owned by the users of the electric and communication services they provide, not by the Government. The administration's housing bill, passed by the Congress in June, makes approximately $430 million available for home construction loans in rural areas.

The Department of Agriculture is active in the area redevelopment program, through which rural communities may receive assistance in their efforts to attract new industries that will provide more jobs.

We can know a better way of life on the farm and in rural communities—but I would again emphasize that its achievement demands from each of us a will for understanding, a faith in one another and in our ability to use wisely and well the facilities of our Government, a flexibility that enables us to measure the status quo against change unhampered by either passion or prejudice, and a rededication to the dream that kept our forefathers moving into new frontiers.

I assure you that our President is investing that will, that faith, that flexibility and that rededication in the future of all of us.

Speech by Mr. Sydney E. Byrnes, President of the Connecticut Broadcasters Association

EXTENSION OF REMARKS
OF
HON. JOHN S. MONAGAN
OF CONNECTICUT
IN THE HOUSE OF REPRESENTATIVES
Wednesday, September 27, 1961

Mr. MONAGAN. Mr. Speaker, I call the attention of my colleagues to a very enlightening speech made by Mr. Sydney E. Byrnes, president of radio station WADS, Ansonia, and president of the Connecticut Broadcasters Association, at the annual meeting of the association at the Waverly Inn, Cheshire, Conn.

I was highly gratified at Mr. Byrnes' explanation of the program undertaken by the Connecticut Broadcasters Association to cooperate with State and Federal officials in the development of an effective civil defense program and to lend their talents and their facilities to the success of this program. I think that the contribution of the Connecticut Broadcasters Association will be most effective.

Following is the text of Mr. Byrnes' speech:

REMARKS BY CONNECTICUT BROADCASTERS ASSOCIATION PRESIDENT SYDNEY E. BYRNES

Ladies and gentlemen, I wonder how many of you in this room today, realize how important you really are. Individually, each one of us carries a tremendous responsibility in serving the ever-increasing radio and television needs of the communities we serve. This, we know. We have been aware of this responsibility for many years and I believe we have met everyone of our responsibilities, not only to our citizens, but to our local, State and Federal Governments. The importance I refer to today, is the importance of the broadcasters to the very survival of the people, men, women, and children who live in Bridgeport, New Haven, Hartford, Bristol, Torrington, Waterbury, Ansonia, and all other communities in our State of Connecticut.

Today, as never before in our history, our cities, our States and our great Nation live under a cloud—a radioactive cloud. With world conditions as they are today, we never know when a Conelrad alert will be the real thing. When a switch to 640 or 1240 to hear the President will be the real thing. When clearing our main streets will be a matter of life and death, and not just an opportunity for CD volunteers to practice their lessons. American boys stand today, at this hour, on the West Berlin border with loaded guns—ready for any eventuality. Our President stated the seriousness of the world situation in his address to the Nation a few months ago and reiterated the seriousness of the situation in his now famous U.N. speech just a few short weeks ago. Negotiations going on now—today between East and West can well determine whether there will be a tomorrow for countless millions of people in our country and throughout the world.

Our Nation is working for peace but preparing for war. Our people are praying for peace, but preparing for war. No longer is civilian defense a joke, no longer is a person building a fallout shelter, some kind of an eccentric person. He is the smart one. And you, ladies and gentlemen, here today are the key to survival. For in every pamphlet and brochure published by civilian defense, there is the warning to be sure and have a battery operated radio. To know what has happened to the world, listen to your radio, to know whether you can drink the water, listen to your radio, to find out if you can go outside, listen to your radio. At your stations, if you survive an attack, you have the power to save thousands upon thousands of lives.

Radio informed during World War II and Korea, but we never really were subjected to the threat of annihilation of our cities as we are today. We have gone through floods and hurricanes in our State and have been of inestimable service to our citizens. But never before have we been cast in the lifesaving role we find ourselves in at this critical hour in our history.

I wish the questions concerning the feasibility of Conelrad were answered by now by the Department of Defense. I wish that the Federal Government would show radio and TV stations how they can finance underground facilities for emergency broadcasting in the event of an attack. I wish there was more clarification of just what the status is of station managers and personnel of radio and TV stations in the event of a real attack.

But, I guess these matters are all being worked on by those in authority in Washington. But, the important thing is for broadcasters to realize the important part they must play in this infamous game of world Russian roulette. Our broadcasters must recognize the dangers and be prepared to meet all emergencies. Preparation must start now.

The Connecticut Broadcasters Association has let it be known to our Governor that we will do everything possible to cooperate in State civilian defense. We have again pledged the full cooperation of you the brodcasters of this State. We know our responsibilities and we will live up to them in the future as we have in the past.

This is only one reason why a strong CBA is so important, why we need very station as a member, and the key man of every station as a tireless worker whenever he or she is called upon to serve.

We have done a lot of work in the last 6 months, but let me tell you that this is only the beginning. We will continue to ride herd on all legislation in the State and in our Nation's Capitol. We will continue to work on our right to know, and we will continue to oppose all forms of censorship that might be unfairly legislated against our industry. We will continue to work for the establishment of the NAB Research Center in our State and we will continue to work for closer liaison between our legislators and opinionmakers and our association. We will have a substitute for the now defunct "Voice of Democracy" contest and we will do everything possible to let all the citizens of our State know how doggone proud they can be of their broadcasting and telecasting stations and the personnel working for those stations. We will do these things and more and much more, but don't for a moment think that this doesn't take time, precious time from our own stations. Time from my 500-watter is just as important to me as your time taken from your 250- or 1,000-watter and your TV channel.

But a little time from all makes the job a lot easier and it gets done in much less time.

Let no one kid you, that almighty dollar is important. But it has its place. That dollar is no good if you lose your license, that dollar doesn't mean much if you're legislated to death and have to close your doors; that dollar doesn't look so good if there is an ICBM aimed at your tower. I say everything has its place. You and I run our stations to support ourselves and our families, and the families of the people who work for us. But there should also be plenty of time to serve our communities, both on and off the air, and there should be some time in every week to support the State association which was formed to look out for you and your stations. Be assured that if you say, "let the next guy do it," the next guy is sitting back and saying the same thing about you. And I'll bet commercial against public service time, that the job will never get done.

You're going to be called to work for CBA if you haven't already been called. We need your know how, your energy, and your dedication to this great industry which puts bread and butter on our tables at night.

I hope you found our meeting today stimulating. I hope you learned something that you can take back to your stations.

And, speaking for the board and all the committees, I hope you are satisfied with what we have been trying to do for all of you.

We cannot expect everyone to approve of everything we do, but I hope that we always please the majority.

You have given us the right to speak out on important issues facing our industry. As I said in our first edition of "The Voice," we appreciate your confidence in us. We will not use this authority unwisely. We will not use it without great deliberation. We, your board, have too much respect for you and your stations. And we want you to have that same respect for CBA. Tell us when we are wrong, encourage us when we are right. Help us to help you.

The broadcasting industry is a great industry. Be proud of it, promote it, defend it, criticize it, improve it, but remember, no station is an island unto itself. We stand together or we fall together. Thank you.

Is It To Be "Government" or "Givernment" for the U.S.A.?

EXTENSION OF REMARKS
OF
HON. KARL E. MUNDT
OF SOUTH DAKOTA
IN THE SENATE OF THE UNITED STATES
Wednesday, September 27, 1961

Mr. MUNDT. Mr. President, out in South Dakota, the editor of the Miner County Pioneer, Sid Davidson, of Howard, has come up with a comment on a typographical error which may prove to be more alarming than it is funny. I ask that his editorial be reprinted in the Appendix of the CONGRESSIONAL RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

DESCRIPTION GOOD

One of our good editor friends recently failed to catch a typographical error made in his back shop. Thereby, unwittingly he may have coined a new word to add to our American version of the English language.

His linotyper had slipped up on the word "government," a mistake in one little vowel. In error he set it, "Givernment," and it got by the proofreaders.

Naturally.

Now, we ask you what better word can describe our administration and Congress of today than this inadvertently newly coined word "Givernment"?

Uncle Sam, the great giver—the greatest the world has ever known—right now is in the throes of expanding his largess, both to his nephews and nieces at home, and his cousins abroad.

Already, due in large degree to his generosity, Uncle Sam is in debt for almost $290 billion—a sum larger than the debts of all the other nations of the world combined.

He's asking that the debt ceiling be raised another paltry (?) $5 billion to $295 billion, so that he can not only make larger gifts to those already on the receiving end of his bounty but add millions to his list of donees.

On second thought, being of a suspicious mind, could it be that the linotyper made an intentional boo-boo and deliberately set that word "government" as "givernment"? Could be.

Alaska Has Shared in New Frontier Progress

EXTENSION OF REMARKS
OF
HON. ERNEST GRUENING
OF ALASKA
IN THE SENATE OF THE UNITED STATES

Wednesday, September 27, 1961

Mr. GRUENING. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD a statement prepared by me.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR GRUENING

At the beginning of this session of Congress, I listed certain objectives of major importance for the development of the State of Alaska on which I intended to concentrate attention during the 1st session of the 87th Congress. These are: (1) The development of low-cost sources of power for the 49th State; (2) the rehabilitation of Alaska's fisheries; and (3) the development of low-cost transportation and the improvement of existing transportation systems for the State.

At the close of this historic session of Congress, which was the first session during which President Kennedy was in the White House, I am happy to see that we have made significant progress in each of these areas. It is a source of great satisfaction to me that the Democratic administration in the White House has cooperated in working with me for a better Alaska.

In addition to the three major areas in which I concentrated efforts during this session, I am also pleased by significant progress in other areas of Federal administration which will be of great benefit to the 49th State.

The record of the 1st session of the 87th Congress has been one, generally and from the broad national point of view, one of extraordinary activity. More affirmative legislation of benefit to the Nation has been produced than in any other session, certainly, since the end of World War II.

Responsible for this record of achievement, in my view, where (1) the fact that the Government was under the leadership of the same party in both the executive and legislative branches; (2) the time was upon us for action to meet piled-up problems; and (3) the leadership of President Kennedy proved to be vigorous and informed.

President Kennedy's watchword has been action—action on behalf of the American economy and action on behalf of American security. His dynamic leadership has strengthened America's position, both domestically and internationally. Where the Eisenhower administration maintained the status quo, the Kennedy administration took the initiative. Where President Eisenhower used the veto, President Kennedy has offered constructive proposals to move America forward.

As his first official act, President Kennedy ordered the distribution of surplus food to those hardest hit by the recession. He urged Congress to enact—and Congress enacted—area redevelopment legislation which President Eisenhower had vetoed. He urged Congress to enact—and Congress enacted—the most comprehensive housing program in more than a decade. He urged Congress to enact—and Congress enacted—a wage and hour statute increasing the minimum wage and broadening coverage under this law for the first time in many years.

This Democratic Congress passed and a Democratic President signed legislation making 600,000 additional persons eligible for increased social security benefits and earlier retirement. This Democratic Congress, cooperating with a Democratic President, produced 33 major items of legislation for the American people.

The result of all this is a stronger America. Economically, we are looking forward to a year of record prosperity. Every major economic indicator points up. Four million more Americans were working in July than in January with experts predicting substantial declines in unemployment in the near future. We are moving rapidly toward full employment, a condition our economy has not enjoyed since early 1957.

In international financing, President Kennedy reversed the drain on our gold reserves, stabilizing the value of the dollar and reassuring the world of the soundness of the American economy.

President Kennedy let our potential enemies and the world know that henceforward we would operate from a position of strength, not weakness, and he backed his words with action. He, with the cooperation of Congress, doubled our Polaris submarine program insuring a full operational fleet 3 years sooner than originally scheduled. He increased long-range missile programs, expanded naval and ground forces, and stepped up troop carrier plane procurement, increasing the mobility of our forces. President Kennedy, with the cooperation of this Congress, has moved to give us alternatives other than capitulation or nuclear holocaust.

Where legislation was needed, the President requested it and the Congress responded with major legislative enactments in almost every legislative field.

I am happy to be able to report that Alaska shared in full measure in this welcome activity, which has moved the Nation forward. The following are specific accomplishments of the 1st session of the 87th Congress on which I wish to report.

HYDROPOWER

Rampart Dam

The importance of constructing Rampart Dam on the Yukon River is essential to planning for economic development in Alaska. The Alaska congressional delegation has consistently worked to bring this project and its importance to national attention and also to obtain action which will make it a reality.

This year the Kennedy administration recommended an increase of $200,000 over the $100,000 recommended by the outgoing Eisenhower administration in the budget estimate for continuing engineering and economic studies of Rampart. The fact that this magnificent dam has caught the imagination and attention of Congress as well as the administration, was demonstrated by the fact that the appropriation which was voted for this undertaking was even larger than the budget estimate. The Senate voted an appropriation of $400,000 for Rampart, an amount that was cut to $350,000 for the 1962 fiscal year in a conference between the House and the Senate Appropriations Committees.

Other progress on Rampart included the appointment of an eight-member economic advisory board to the Corps of Engineers on Rampart, of which five members are residents of Alaska. I was privileged to attend the first meeting of this important group which was held in Anchorage during the weekend of May 27 to 30, and which included a field trip to the site of the project.

Another promising development for Rampart was the selection of a widely known economic consultant organization—Development & Resources Corp.—to make the economic study which is so important to the authorization of Rampart. This is the firm which is headed by the former Chairman of the Atomic Energy Commission, David E. Lilienthal.

I look forward to further progress on Rampart during the coming sessions of Congress.

Snettisham project

Early in the session, I introduced a bill, S. 594, which would authorize construction of the Crater-Long Lakes division of the Snettisham project near Juneau. This prospective source of low-cost power is an important part of plans for economic development of southeastern Alaska. Plans for this hydropower facility have, in the past, been based on construtcion of the entire project at one time. As it is now unlikely that an industrial consumer of large quantities of this power can be obtained in the near future, consideration is being given by the Bureau of Reclamation to a three-stage development of Snettisham. This possibility, which is being explored, would provide a source of low-cost power for growing community requirements of the Juneau-Douglas area meeting actual estimated power shortages even without a potential industrial consumer.

FISHERIES REHABILITATION

Early in the past session of Congress I introduced, with 23 other Senators, a bill, S. 1230, which would authorize distribution to State fish and wildlife agencies of funds collected from tariffs on imported fishery products. The significance of this legislation is that funds for fisheries rehabilitation would be allocated directly to States having important fishery resources rather than being diverted to the Fish and Wildlife Service of the Department of the Interior. I am hopeful this legislation will receive early and favorable action by the Congress in the next session.

TRANSPORTATION

There were a number of highly significant developments in the field of air and surface transportation for Alaska during the 1st session of the 87th Congress which give promise of improving and lowering the cost of transportation to Alaska.

Airport aid

Of major importance was the enactment of an extension of Federal airport aid legislation which, for the first time, places Alaska on the same basis as the other States in the allocation of these funds. I pointed out on the floor of the Senate that the State of Alaska has a greater need for adequate appropriations for airports than any other States in the Union in view of the necessity for reliance upon air transportation for the greatest portion of Alaska travel. As passed by Congress, the new airport aid bill authorizes an allocation to Alaska each fiscal year of nearly $4 million, as contrasted with the $1,350,000 annually to which Alaska was previously entitled.

Another significant aspect of the Federal airport aid legislation was the inclusion of a provision authorizing Federal agencies having inspection and clearance duties at international airports such as immigration, customs, plant quarantine, etc., to acquire space at airports necessary for the performance of these duties. Before enactment of this legislation such facilities had to be provided by the airports or carriers serving them.

Highways

With the hope of developing an improved system of highways for Alaska that I introduced legislation, Senate Joint Resolution 137, which would authorize an initial ex-

penditure by the Department of Commerce of $800,000 for the purpose of studying the importance to the Nation of developing highway communications to and within Alaska. This legislation, which at my urging was recommended for introduction by the Kennedy administration, is the first step in making possible the construction of highways in Alaska equivalent to those in all the other States. I look forward to early and favorable action on this bill in the next session of Congress.

Maritime agency reorganization

As I have pointed out to the Senate repeatedly, a major requirement for the development of the State of Alaska is the reduction of the exorbitantly high water freight rates which now retard growth in the 49th State. I have taken advantage of every suitable occasion during my service in the Senate to call attention to the existence of this serious transportation problem and to recommend congressional and executive action for its solution.

Early in this session, I testified before the Merchant Marine and Fisheries Subcommittee of the Senate Commerce Committee that there is a desperate need to reduce transportation costs affecting Alaska. This was in the course of hearings conducted by Senator BARTLETT on the general question of problems in offshore shipping. At that time I recommended a number of possible courses of action which could be taken to reduce water freight rates and improve this form of transportation to Alaska.

One of my recommendations was the reorganization of the Federal Maritime Board. I pointed out that this might be one means of establishing a regulatory agency for water transportation which would recognize the public interest—a recogntion which has not been noticeable with previous regulatory agencies. I was, therefore, gratified when the President sent to Congress a plan for reorganization of this agency into the Federal Maritime Commission.

The plan of the President, which I strongly supported, and which was adopted, provided for reconstitution of the Federal Maritime Board with five rather than three members, and further provided for separation of regulatory functions of the agency from promotional responsibilities—a correction of an anomalous situation which, I believe, was often the cause of decisions by the agency which were not in the public interest.

Although the President did not accept my recommendation that an Alaskan be appointed to the reconstituted communism, I am hopeful that when the next vacancy arises it will be possible to appoint a qualified Alaskan.

The operation of this important agency remains one of the most important factors in the establishment of equitable water freight rates to Alaska.

Dual-rate amendment

Another important achievement in the struggle to obtain a fair break for Alaska on water freight rates was the enactment of an amendment to the bill, H.R. 6775, which modifies the laws governing conference agreements of water carriers in foreign commerce. The amendment, which I introduced with Senator BARTLETT as cosponsor, and which was enacted will give special procedural advantages to Governors of States against which conference-imposed rates discriminate against consumers. My amendment provides that in cases where a Governor—for example, the Governor of Alaska—finds that a rate for water shipments imposed by a conference is discriminatory, the Maritime Commission will be required to make a prompt ruling on the Governor's protest. The amendment would require action by the Maritime Commission within 180 days in such cases.

The reason I felt this amendment was important arose from the discovery in the course of discussion of the dual-rate legislation that the Trans-Pacific Conference, which includes Japanese carriers serving Alaska, has been exacting an arbitrary surcharge of 30 percent on shipping rates between Japan and Alaska above the rate from Japan to other States. I am happy to point out that, as a result of attention focused on this discrimination by my amendment, this arbitrary surcharge was removed by the Trans-Pacific Conference prior to enactment of the new dual-rate bill.

Railroad transportation

Another source of transportation rate discrimination against Alaska has existed for many years with respect to charges for transportation of freight by transcontinental railroads. In 1957 the General Services Administration filed a formal complaint with the Interstate Commerce Commission against the practice of transcontinental railroads of requiring payment of higher rates for shipment across the continent of freight by railroad if it is to be transshipped to Alaska than is applied to shipments destined for any other place in the Pacific Ocean area. The Interstate Commerce Commission, however, ruled against the GSA, and it is still the case that transportation rates on transcontinental railroad shipments are considerably higher on goods going to Alaska than on the same commodities moving exactly the same distances over the same railroads that are eventually destined for Samoa, Japan, Guam, Hawaii, and the west coast of South America.

To correct this discriminatory situation I introduced a bill, S. 1723, which would prohibit transcontinental railroads hauling shipments destined for Alaska from charging more for such shipments than for shipments bound for other parts of the Pacific Ocean area. I am hopeful we will obtain early and favorable action on this legislation during the next session of Congress.

Another proposal which would have the effect of lowering transportation costs to Alaska was discussed with the Alaska and Washington State congressional delegations by representatives of four transcontinental railroads—the Great Northern, Northern Pacific, Union Pacific, and the Milwaukee Railroads. These four railroads have been making plans for what, in effect, would be the extension of transcontinental rail service to Alaska. This would be accomplished by utilizing sea trains to be operated by a New York firm, McAllister Bros., from Seattle and Tacoma to Seward. The proposal of the railroads was based on transportation of commodities in carload lots, rates to be set on the basis of an entirely new rate structure. The plan originated with the recognition that Alaska has grown sufficiently and the prospects for its future growth are such that the city of Anchorage should be used as the distribution center for the State rather than Seattle.

Joint rates

Again at this session of Congress, the bill, S. 1725, introduced by Senator BARTLETT, was passed. This would permit carriers to Alaska to establish through routes and joint rates.

PUBLIC LAND MANAGEMENT

The management of land in Alaska, which is still almost entirely under the control of the Department of the Interior, remains one of the most important factors in the economic growth of our State. The improvement of management, in a way that will release Alaskans from the bondage of bureaucracy they have suffered for so many years at the hands of the Bureau of Land Management, is one of my major objectives as a member of the Senate Committee on Interior and Insular Affairs.

While progress on this line proceeds exceedingly slowly, there is hope of recognition of the importance to Alaska and the other public land States of improved means of disposing of the land and transferring it into private ownership.

Public Lands Act

I was pleased by the submission to Congress, as one of the first acts of the new Secretary of Interior, Stewart Udall, of a bill (introduced in the Senate by Senator BIBLE and in the House by Representative WAYNE ASPINALL, chairman of the House Committee on Interior and Insular Affairs) which would completely revise existing legislation governing disposition of public lands. The enactment of this legislation would, I believe, make land transfer procedures of the Department of the Interior more efficient than has been the case in the past.

A 5,000-acre withdrawal limitation

As another means of controlling the use of the public domain in the interest of citizens of States in which it lies, I, together with 17 other Senators, again sponsored legislation which would limit land withdrawals by the Interior Department for any purpose to 5,000 acres in the absence of a specific act of Congress.

As I strongly believe the power of the Secretary of Interior to withdraw land from productive use has been abused in the past, thus hindering its effective use by the citizens who in the last analysis really own it, I am hopeful the next session of Congress will see the enactment of this legislation.

Military land withdrawal legislation for Alaska

It will be recalled that there has been in effect, since the 85th Congress, legislation which was introduced by Senator ENGLE of California to limit withdrawals of public land for military purposes to areas of less than 5,000 acres unless they are specifically withdrawn by act of Congress.

Pursuant to this legislation, five bills were passed at the first session of the 87th Congress which will authorize withdrawal of designated areas in Alaska needed for military purposes. In order to obtain firsthand knowledge of the feeling of Alaskans about this legislation, I conducted hearings at Anchorage and Fairbanks in May of this year at which all those interested in the matter had an opportunity to testify. Certain amendments were made in the legislation, as a result of these hearings, which are direct results of suggestions of Alaska residents. Among these are amendments which require the military to decontaminate areas they have used before the land is restored to its prior use. In another case, that of the bill to withdraw land on the Granite Creek area, an amendment reducing the amount of land withdrawn along the Richardson Highway was adopted after citizens of the area protested that the Army did not need for its purposes land which was valuable for settlement because of its accessibility.

The areas withdrawn by the five bills are as follows:

1. Two hundred and fifty-six thousand acres in the Elelson Air Force Base area for use of the Army for 10 to 15 years.

2. Lands 40 miles east of Fairbanks for use by the Army as a Nike Range.

3. Lands in the Big Delta area for continued use of the Army at Fort Greely.

4. Lands in the Granite Creek area for use by the Army at Fort Greely.

5. Lands in the Campbell Creek area for use of the Army at Fort Richardson.

The fact that the public, which is greatly concerned with the use of these lands, had an opportunity to express its views concerning these withdrawals seems to me to be an

excellent example of the reasons why legislation, such as the "5000 acre withdrawal bill" I have sponsored is needed to control withdrawals for other than military purposes.

Equalization of Alaska with other States in land transactions

Two public land management bills were passed during the first session of the 87th Congress, which, while not of overwhelming national significance, are of great importance to Alaskans as demonstrations of recognition of the fact of statehood and of the fact that Alaskans should have the same kind of treatment as residents of other States insofar as administration of the public domain is concerned.

These bills, both of which I sponsored, are:

1. Isolated tract sales: This bill, which is now Public Law 87–147, authorizes the sale, in Alaska, of isolated tracts of public domain having mineral deposits, with a reservation of minerals to the Federal Government. Prior to passage of this act it was the opinion of the Department of the Interior that, although such sales could be made under legislation applicable in the other States, the law did not permit such sales in Alaska.

2. Repeal of law affecting filing of adverse claims against mining patents:

Until passage of Public Law 87–260, adverse claims against mining patents could be filed in Alaska during a period 8 months longer than that allowed in the other States. The law that was repealed was enacted in 1910 in recognition of exceptional difficulties in communication and transportation in Alaska which provided a basis for extending the time within which adverse claimants could oppose mining patents far beyond that required in the other States.

Now, there is official recognition that this was a hindrance to development of Alaska resources and that there no longer exists a valid reason for slowing up mining claims in Alaska for period beyond that in effect in the other States.

The significance of these laws is their recognition that Alaska has a status which must be recognized as equal with that of her sister States, as well as their importance in removing obsolete statutory hobbles on Alaska development.

Homesteaders

During the 1st session of the 87th Congress, it became possible to assess the benefits of Public Law 86–789, which I introduced in the 86th Congress to allow certain Alaska homesteaders to obtain mineral rights in their homesteads.

The rights of homesteaders to these deposits in cases where they were deprived of them by arbitrary action of the Department of the Interior remains of deep concern to me. It will be recalled that the legislation I introduced in the 86th Congress would have authorized the Interior Department to quitclaim mineral rights to all Alaska homesteaders who had initiated their compliance with homestead procedures before the Kenai Peninsula oil strike in July of 1957. Because then Secretary of the Interior Seaton demanded that the bill be drastically amended I agreed, reluctantly, to his amendments to avoid a certain veto of such legislation as could be enacted and in order to provide the benefits it would bring to the homesteaders who meet his stipulations. It will be recalled that the result was enactment of Public Law 86–789, which limited relief to homesteaders on the Kenai Peninsula who had completed homestead requirements by the date of the oil strike in July 1957.

While I was dissatisfied that I could not obtain enactment of more generous legislation, I am gratified that some of the Alaska homesteaders for whose benefit the law was passed have received official notification from the Department of the Interior that they may receive full title, including title to oil deposits in their homesteads.

The first cases adjudicated under Public Law 86–789 were decided in March 1961. A number of others are pending on appeal in the Office of the Secretary of Interior at this time. Until final adjudication by the Department it is impossible to determine how many Alaska homesteaders will receive rights to mineral deposits in their homesteads.

Wildlife ranges

One of the actions of Secretary Seaton which was most strongly protested, as an aggression against the rights of Alaskans to manage the land on which they live, was the establishment by the Secretary of the Arctic Wildlife Range. It was adding insult to injury, in my opinion, that, as one of the last acts of the Eisenhower Administration, and despite the opposition of the State of Alaska, the people of Alaska, the Governor, and the entire Congressional delegation, Secretary Seaton set aside the 9 million acre Arctic Wildlife Range in Northeastern Alaska. At the same time the Interior Department announced establishment of two other wildlife ranges—the Izembeck Range and the Kuskokwin Range.

As one means of effecting the wishes of Alaskans to prevent establishment of these ranges—especially their opposition to establishment of the Arctic Wildlife Range—I, together with Senator BARTLETT, was able to defeat the appropriation of any funds for management of the Arctic Range and the Izembeck Range for the 1962 fiscal year.

I pointed out at the hearing of the Interior Subcommittee of the Senate Appropriations Committee that the Arctic Wildlife Range had been steadily and strongly opposed by Alaskans and that no purpose could be served by appropriation of funds to manage it. In the case of the Izembeck Range, Senator BARTLETT and I pointed out that there was very little justification for the expenditure of funds requested by the Department. Happily, the Appropriations Committee agreed with us, and this is one expenditure taxpayers will not be called upon to make in the 1962 fiscal year.

I am now hopeful, in accordance with a suggestion and a plan advanced by Governor Egan and in accordance with views of the Secretary of the Interior that recreation and wildlife areas should be managed by the States in which they are located, that the new Secretary of the Interior will soon see the way clear to return the Arctic Wildlife Range to Alaskans and allow it to be managed by the people who know best how to do it in the State department of fish and game.

Forestry research laboratory near Fairbanks

Of great potential importance to the development of Alaska's vast forest resources was the appropriation this year of $350,000 for a forestry research laboratory to be operated by the Department of Agriculture near Fairbanks. This laboratory was one of several which had been recommended earlier but for which funds were never requested by the Eisenhower administration or appropriated during that period.

During the 1st session of the 87th Congress I made a strong appeal for these funds before the Senate Committee on Appropriations. Although it was not in the administration budget and the House of Representatives had not voted the money, I was persuasive in obtaining an amendment to the budget recommendations of the Department of Agriculture when the appropriation measure came before the Senate which included the $350,000 required for the laboratory which will be located on the campus of the University of Alaska.

In view of the fact that these funds were not in the original budget submitted by the administration, and in view of the failure of the House to recognize the importanec of this appropriation, I believe it is quite significant that the Senate appropriated this money and that the appropriation was retained in conference with the House of Representatives.

The wilderness bill (S. 174)

The Senate passed on September 6 a piece of legislation having a potentially important effect on the management of the public domain. This is known as the wilderness bill. Alaskans, like residents of other States of the Union, are well aware of the great importance of conserving for posterity some of our natural resources of scenic grandeur which, if not protected, might be lost to future generations. To accomplish this, conservation groups have long been interested in enactment of legislation which would provide for permanent preservation of wilderness areas.

The State of Alaska is, of course, in a somewhat different position from other States with respect to establishment of wilderness areas. Our State has only begun to develop, unlike many other areas of the West where economic development has been proceeding rapidly for many generations.

To take account of Alaska's special position, I was able to obtain an amendment to the wilderness bill, as passed by the Senate, which will require that before wilderness areas are established in Alaska special consideration will be given by an advisory group, which must include a majority of representatives from the State of Alaska. I am hopeful that the requirement that potential reservations of wilderness areas in Alaska be reviewed by citizens of the State will insure that areas which are needed by Alaska for economic development will not be forever removed from exploration and the establishment of beneficial enterprises, as might be the case without this protection.

NATIVE BENEFIT LEGISLATION

William Beltz homestead bill

Early in this session of Congress, I introduced S. 1065 for the purpose of conveying to the widow and children of William Beltz, the late noted Eskimo legislator, a homestead which he had begun to establish prior to his tragic death. It seems to me entirely fitting that the widow and young children of Bill Beltz should have the benefit of ownership of this land. After an adverse report had been drafted for the Department of the Interior by the Bureau of Land Management, I am happy to report that as a result of my emphatic protests the essential principles of this bill have now been approved by the Department of the Interior, and I am hopeful this humane legislation will be enacted soon after Congress reconvenes.

"NORTH STAR" FUNDS RESTORED TO INTERIOR DEPARTMENT APPROPRIATION

Among services of the Bureau of Indian Affairs to Alaska natives which are particularly beneficial is the operation of the Indian Affairs vessel, *North Star*, which provides necessary supplies for a large number of isolated communities in remote areas of the North Pacific, the Bering Sea, and the Arctic Ocean. The Department of the Interior had requested in its 1962 budget an appropriation of $375,000 to be used for refitting a vessel to perform this essential service. Although the funds were approved by the House of Representatives, the Senate Appropriations Committee, perhaps capitulating to pressure from shipping interests opposing this vital service, failed to include the funds required for the *North Star* in the appropriation measure reported by the committee.

I fought hard for the restoration of this money on the floor of the Senate, overcoming substantial opposition, to obtain the funds needed for the *North Star* by a rollcall vote of 48 to 43. As it is rarely possible to upset the action of the Appropriations Committee when an appropriation measure is reported to the Senate floor, my colleague, Senator

BARTLETT, and I were required to exert a major effort to persuade our fellow Members that deprivation of the Bureau of Indian Affairs of the $375,000 needed to refit the *North Star* would be a catastrophe to the native people of northwestern Alaska who are totally dependent upon it for the transportation of necessary supplies.

INDIAN REVOLVING LOAN FUND INCREASE

Among the most important actions of Congress affecting the native population of Alaska and Indian citizens everywhere, was the enactment of Public Law 87-250 to increase the authorization of funds for the Indian revolving loan fund. This fund was increased from $10 to $20 million. Although the Senate had voted an even larger increase in the fund, the House of Representatives failed to agree to the amendment of the Senate and, therefore, the law was passed as described above.

AREA REDEVELOPMENT LEGISLATION

One of the primary objectives of the Kennedy administration is the redevelopment and rehabilitation of areas of the United States that have suffered exceptionally from unemployment over the last few years. One of the first acts signed by President Kennedy was Public Law 87-27, the Area Redevelopment Act. This act provides a program of loans and grants for industrial rehabilitation to stimulate employment and eradicate unemployment in the distressed areas where unemployment has been substantial and persistent over a long period of time.

In addition, the act provides assistance to certain Indian reservations and farm areas where per capita income is very low.

As a first step in obtaining assistance under the Area Redevelopment Act, an area must be classified for this purpose by the Area Redevelopment Administration. Incident to this is the classification of the area as one of substantial and persistent unemployment. On September 8, the Department of Labor classified every election district in Alaska except districts 4 and 5 as areas of substantial and persistent unemployment. It thus appears likely that almost the entire State of Alaska will be eligible for area redevelopment assistance.

To acquaint civic leaders and municipal officials with requirements for obtaining area redevelopment assistance and procedures to be followed in establishing area redevelopment programs, a series of meetings was held in Alaska in August by Daniel L. Goldy, Deputy Director of the ARA. These meetings, which were well attended, were held at Ketchikan, Juneau, Anchorage, and Fairbanks. In a number of areas of Alaska enthusiastic planning and programing are in progress for redevelopment programs which should contribute much to the greater prosperity of Alaska.

AID TO EDUCATION

As I firmly believe that a strong educational system is essential to the welfare of the United States, and as it has become increasingly clear over the years that local communities of the United States can no longer support the system we require in this age of peril, I have consistently supported Federal aid to education.

In the Senate an adequate bill, S. 1021, was passed on May 25 to provide Federal contributions to the States for construction of educational facilities and payment of teachers' salaries. I spoke on the floor of the Senate in support of this important measure which was, unfortunately, stalled in the House of Representatives and not finally enacted.

As introduced, S. 1021 contained a provision for allocation of funds to the States on the basis of per capita income which was manifestly unfair to Alaska. Immediately upon analysis of this provision it was clear that, under its terms, our State would receive far less of the funds provided than those it needs and those to which it is entitled. I immediately pointed out to the Senate Committee on Labor and Public Welfare that the allocation provision, which placed Alaska in the same category as wealthy States such as New York, New Jersey, Connecticut, and Pennsylvania, was totally unrealistic when consideration is given to the extraordinarily high costs of education in Alaska.

For the purpose of developing an amendment to the aid to education bill to take account of the special needs of Alaska I arranged with the University of Alaska, in cooperation with the Alaska State Board of Education, for the advisory services of Dr. George Rogers, professor of economics at the university, to assist in developing a formula for Alaska that would put our State in a position equivalent with that of the other States.

Dr. Rogers' research revealed that the costs of education in Alaska can be demonstrated, on the basis of wholly reliable data, to be so much greater than the same costs in other parts of the United States that a strong case can be made for specialized treatment of Alaska in the apportionment of school aid funds.

The presentation of the facts concerning Alaska's needs for educational assistance and the abnormally high costs of construction and other school expenses in Alaska brought recognition from the Senate that a special formula should be applied for Alaska. The amendment finally adopted was suggested by Senator BARTLETT, and authorizes a special allotment ratio in cases such as that of Alaska in which costs of education appreciably exceed costs in other States.

IMPACTED AREAS AND NATIONAL DEFENSE EDUCATION ACT

Although a comprehensive program of Federal aid to education was one of the principal objectives of the administration of President Kennedy, obstruction of his efforts in the House of Representatives made it impossible to pass legislation to accomplish this. At the end of the session it was possible to enact only a 2-year extension of the impacted-areas program for Federal assistance for construction and operation of public schools in areas in which there are large numbers of Federal employees and a similar extension for 2 years of provisions of the National Defense Education Act under which the Federal Government provides loans and fellowships to graduate and undergraduate students in institutions of higher learning and makes other benefits, such as assistance in construction of facilities for science and language instruction available to public and private elementary and secondary schools.

HOUSING LEGISLATION

Among the most important of the administration bills passed at the last session of Congress was President Kennedy's bill to improve and extend provisions of Federal housing legislation. Among provisions of the bill that will be very important to Alaska and the rest of the Nation are: (1) A new program to provide benefits of homeownership to families in the moderate income brackets by allowing them to obtain mortgage insurance of loans on long terms (40 years) at low cost, with a downpayment of only 3 percent of the acquisition cost of the property; (2) a new program of community facility loans for acquisition of mass transportation equipment for urban communities to be administered by the Housing and Home Finance Agency; (3) a program of grants by the Housing and Home Finance Agency to States and local public bodies for the acquisition of open space land near housing developments and urban areas for the purpose of preventing urban blight and making communities more pleasant places in which to live; (4) liberalization of farmers' home loan programs to authorize farmhousing loans in rural areas not previously qualified as farms, and the authorization of funds to increase farmhousing research.

Maurice Gebhart, executive director of the Alaska State housing authority, called my attention, during consideration of the housing legislation, to the importance of including in the act an amendment to increase cost limitations on housing for elderly persons and on low-rent housing in Alaska in accordance with long standing precedent under which Alaska has had special consideration for costs of construction under mortgage insurance provisions of title II of the National Housing Act. Accordingly, I introduced an amendment, which was passed, which increases the normal room cost limitation on low-cost housing in Alaska from $2,500 to $3,000 and for housing for elderly persons from $2,500 to $3,500.

SOCIAL SECURITY ACT AMENDMENTS

Public Law 87-64 was another early recommendation of the President. This law, amending the Social Security Act, increases benefit amounts for certain beneficiaries of the old-age and survivors insurance program.

AID TO DEPENDENT CHILDREN

Another recommendation of the President which was enacted, to improve existing programs of assistance to dependent children, was Public Law 87-31, which will make it possible for the Federal Government to provide aid to dependent children whose need arises from the unemployment of their parents. Previously, aid to dependent children was not authorized in these cases.

WATER POLLUTION CONTROL LEGISLATION

Public Law 87-88, Water Pollution Control Act Amendments of 1961, is another important legislative act that will benefit Alaska and the other States.

Of particular importance to Alaska is the authorization for establishment in Alaska of a water pollution control laboratory. Seven such laboratories for the research, experimentation, and study of water pollution control were authorized by the act, but only Alaska was singled out as a State in which one of them should be located.

The Water Pollution Control Act also extends this program of importance to the health of the Nation for an additional 5 years and increases amounts of money authorized for it.

At my suggestion a representative of the Surgeon General's Office visited Alaska this year for the purpose of inspecting needs of the State for increased Federal assistance, particularly in native villages, for the control and abatement of water pollution.

VETERANS BENEFITS

The men and women who serve the Nation as members of the Armed Forces are among those citizens to whom we should provide every benefit needed to make up to them such loss of time as they suffer from their education and careers because of military service.

I have always believed it is as important for us to recognize the contributions of those who serve in peacetime as those who serve in time of war. Accordingly, I have been a cosponsor and strong supporter of the bill, S. 349, introduced by Senator YARBOROUGH, to equalize veterans benefits of post-Korea GI's with those available to veterans of wartime service. This bill was reported by the Senate Committee on Labor and Public Welfare on August 10, and I hope it will receive favorable action at the next session of Congress.

UNEMPLOYMENT COMPENSATION

In March the Congress passed and the President signed into law a bill to provide temporary unemployment benefits to States. The law authorizes Federal advances of money to the States to prolong duration of benefits by 50 percent for any jobless worker who exhausted his regular benefits under State unemployment insurance pro-

grams between June 30, 1960, and March 31, 1962. However, certain workers who started to receive the special benefits before March 31, 1962, and had not used them up by that date, will continue to receive them through June 30, 1962. The act limits the special benefits to 13 weeks and the total of all benefits in a year (regular plus special) to 39 weeks.

A Federal extended compensation account within the unemployment trust fund was created, and the act directs that funds from the account be used to repay the Federal Government for advances to the States under the act. To finance the account, the net Federal unemployment tax was raised from four-tenths of 1 percent to eight-tenths for calendar 1962–63 only.

POSTPONEMENT OF REDUCTION OF CREDITS AGAINST UNEMPLOYMENT TAXES

Representative RALPH RIVERS introduced a measure in the House (H.R. 6145) that would allow a 1-year postponement of the reduced credit provisions relating to the Federal unemployment tax insofar as they are required by certain past advances to a State under 1954 amendments to title XII of the Social Security Act. The measure would have had the effect of preventing the reduced credit provisions from applying to wages paid by employers in Alaska for calendar year 1961. Representative RIVERS succeeded in getting the measure reported out by the Committee on Ways and Means—no easy task—even though the full House did not take action on it prior to adjournment.

MINIMUM WAGE

An achievement of the Kennedy administration this year was passage by Congress of the Fair Labor Standards Amendments of 1961—the so-called minimum wage bill—which was signed into law May 5. The new law, as finally enacted, did the following:

Raised the minimum wage for workers already covered by the minimum-wage provisions of the Fair Labor Standards Act (about 23.9 million persons) from $1 an hour to $1.15 an hour during the first 2 years after the amendments went into effect and to $1.25 an hour thereafter;

Made the overtime provisions of the act applicable (with certain exceptions) to newly covered workers on the following basis: no overtime pay required during the first 2 years amendments are in effect; overtime pay required for more than 44 hours work in a week during the third year; for more than 42 hours during the fourth year; for more than 40 hours thereafter;

Brought under the minimum-wage and overtime provisions of the act various new categories of workers (estimated at 3,624,000 persons) at the following minimum wage scales: $1 an hour during the first 3 years in effect, $1.15 an hour during the fourth year and $1.25 thereafter.

The bill also specified that supervisory personnel (retail assistant managers) remain exempt from the Fair Labor Standards Act even if they spend up to 40 percent of their time in nonsupervisory work.

RIVER AND HARBOR PROJECTS

The most generous river and harbor appropriations bill in many years, as far as Alaska is concerned, was passed late in the session. I was particularly gratified at inclusion of $25,000 to begin surveys for causeways across Knik Arm and Turnagain Arm in the vicinity of Anchorage. I used all the persuasion of which I am capable with my fellow Members to obtain this appropriation.

The bill also appropriates $785,000 for completion of navigation improvement at Wrangell Narrows, which will permit the dredging of an anchorage basin 500 yards long, 200 feet wide and 26 feet deep at mean lower low water on this important transportation artery in southeastern Alaska. The anchorage basin is particularly needed in connection with operation of the new State of Alaska ferry system which is scheduled to begin late next year.

The Senate also inserted and managed to retain in conference appropriations of $10,000 for a study of how the Seward small boat harbor can be expanded and $14,000 for a study looking toward dredging the harbor at Wrangell where heavy oversea shipping is handicapped through silting in from the Stikine River. The Senate also managed to insert $10,000 for a flood control study on the Tanana River at Nenana and increased from $15,000 to $25,000 the amount which will be available for a Knik River flood control study.

Another addition, inserted initially in the House, consisted of raising the appropriation for Bureau of Reclamation investigations in Alaska from $250,000, which was the maximum permitted by law, to $350,000.

All Alaska appropriations for the Corps of Engineers requested in President Kennedy's budget were voted by the Congress. These included $150,000 for advance engineering on an $11,100,000 Chena River flood control project near Fairbanks, $1 million for a start on construction of a $2,030,000 second small boat basin at Juneau, $11,000 for investigations for a project to deepen and enlarge the small boat harbor at Petersburg, $8,000 for similar investigations at Valdez, $15,000 for flood control investigations at Kodiak, $10,000 for Valdez flood control investigations, $43,800 for general navigation and flood control investigations in Alaska and the following sums for operation and maintenance: Cordova Harbor, $150,000; Juneau Harbor, $180,000; Nome Harbor, $53,000; Valdez Harbor, $125,000.

FREE ZONE FOR ANCHORAGE INTERNATIONAL AIRPORT

Late in the session, in order to give the Senate Committee on Commerce an opportunity to hold hearings before the convening of the second session of the Congress in January, I introduced a bill which would provide for establishing and operating a foreign-trade zone, a Hall of States, and an international reception and information center at the Anchorage International Airport.

It occurred to me while at Shannon Airport recently, returning from a trip to Scandinavia for the Senate Public Works Committee during an informal recess of the Senate, that the situation there and at the Anchorage International Airport were almost identical. Foreign visitors to the Anchorage airport now number close to 150,000 annually.

Former Mayor George Byer, of Anchorage, had proposed and vigorously fought to establish an international reception center at the Anchorage airport. He felt that these many visitors, most of them catching whatever glimpse of the United States they will have while at the airport at Anchorage for a few brief hours, should be told in the most attractive manner possible about United States history, ideals and accomplishments. With that I wholeheartedly agreed.

But after seeing the free port at Shannon, it seemed to me that we could proceed a step further and establish a free port at Anchorage so that visitors there could purchase U.S.-made products, as well as those from other countries, without paying duty. I thought also that this might be coupled with a Hall of States where each State would be invited to exhibit some of its history and how it developed as well as some of the products for which it is famous.

I am pleased that the Senate Commerce Committee will shortly hold hearings on this measure and I hope it will be reported promptly and favorably to the Senate in January 1962, so that this very important center—important for Anchorage, for Alaska, and for the United States as well—can soon become a reality.

TRUCKING MAIL TO ALASKA

In September, the Post Office Department inaugurated the trucking of surface mail to Alaska, from Seattle to Fairbanks, on an experimental basis. Postmaster General J. Edward Day announced the plans during May, when he was in Alaska to dedicate new post offices at Anchorage and Kenai. Seattle departures are scheduled for 12:01 a.m. each Tuesday, Thursday, Friday, and Saturday.

While mail is to be trucked only to Fairbanks and its outlying areas in the initial phases of the experiment, I have urged postal officials to extend this service to other communities, including Anchorage, at the earliest possible time.

The contract calls for mail to reach Fairbanks not more than 96 hours after leaving Seattle, reducing the transit time between Seattle and Fairbanks by a minimum of 3 days, as compared with previous boat and train service. Airmail will continue to be flown to Alaska and letter mail will be airlifted to the 49th State on a space-available basis from Seattle.

JUDGESHIP BILL

On the advice of State officials, members of the Alaska bar and others whose opinions I solicited, I introduced during the 86th Congress a bill to provide for an additional Federal judgeship for Alaska. In the 87th Congress my objective was achieved by the enactment of Public Law 87–36, the omnibus Federal judgeship bill, which included a provision for appointment of an additional judge for Alaska.

In support of this additional judicial position, I pointed out to my colleagues in the Senate that Alaska's lone Federal judge had to hold court in an area larger than falls to the lot of any other Federal judge. Alaska's area of 586,400 square miles is one-fifth of the area of the 48 older States. Hearings in Federal cases have to be held in communities hundreds of miles apart, in Ketchikan, Juneau, Anchorage, Fairbanks, Nome, and perhaps elsewhere. The Judiciary Committees and Congress agreed that these distances are too great to subject a single district judge to such extensive journeyings, and the omnibus measure as enacted included the Alaska position.

Raymond E. Plummer of Anchorage was nominated for the second judicial post by the President and confirmed by the Senate as Alaska's second U.S. district court judge.

CRABMEAT BAN LIFTING

Early in March of this year, I strongly protested to the secretaries of State, Treasury, and Commerce a proposed move to lift the 10-year-old ban on importations of crabmeat from the Soviet Union, pointing out that Alaska king crab is the outstanding and only example of a new development in the Alaska fisheries which otherwise have been sadly depleted. The basis of the ban on the importation of Russian crabmeat was that it was produced by forced labor, namely, Japanese prisoners of war. After Japan publicly announced that all prisoners of war had been repatriated to their homeland, there was little justification for continuing the ban, particularly in view of the fact that the Russians were using the ban as a propaganda device against this country, in other matters. Moreover, it was indicated that the impact on king crab sales from Alaska might not be as great as first expected, because of the high tariff on imported crabmeat—15 percent on frozen crabmeat and 22.5 percent on prepared crabmeat—and also, because crabmeat is in short supply.

FOREIGN AID

A major enactment of the 1st session of the 87th Congress is Public Law 87–195, the Act for International Development of 1961. This law embodies the new program of the Kennedy administration for aid to underdeveloped countries and for mutual defense

assistance to allied nations. I am hopeful that its enactment and the establishment of a new agency, the Agency for International Development, will provide corrections for many of the mistakes in foreign aid of the past. It is the hope of the President, and my hope, that the new Democratic administration can make the foreign aid program a meaningful tool of American foreign policy.

However, there was a provision of this legislation which I felt should be amended. This was the chapter relating to the Development Loan Fund under which funds are loaned to other nations for the purpose of assisting in carrying out long-range plans and programs designed to develop economic resources and increase productive capacities. It has been my observation from long experience in countries of Latin America that one of the major inhibiting factors on economic development is the imposition by banks of exorbitantly high interest rates, which makes it extremely difficult to distribute the wealth of the country where it is most needed. It seemed to me that in establishing a new program of foreign aid, it was essential that the legislation be amended to limit interest rates on loans derived from funds loaned by the United States to recipient countries. Therefore, I introduced an amendment, which was adopted by the Senate on a rollcall vote of 74 to 16, providing that loans by the Development Loan Fund would be made only on the condition that interest charged by borrowers of funds derived from U.S. loans could not exceed the rate of interest charged by the U.S. Government by more than five percentage points. Although, as I noted, this amendment was adopted in the Senate by an overwhelming vote, the conferees of the House of Representatives on the foreign aid bill refused to accept the amendment and it was rejected in the law as finally passed. The foreign aid program as passed does, however, contain a related, but not as effective, limitation on interest rates. The provision enacted is that the funds shall not be loaned or reloaned at rates of interest excessive or unreasonable for the borrower.

DUCKS, GEESE AND ESKIMOS

When news came of the arrests in Alaska of Eskimos for shooting ducks, along with my colleagues in Congress, Senator BARTLETT and Representative RIVERS, I protested to Secretary of the Interior Stewart Udall.

Secretary Udall, who apparently was taken as much by surprise at the unprecedented action of the agents of the Fish and Wildlife Service in Alaska as were nearly all Alaskans, and was so to speak "on the spot," stated in his earlier reactions that he had no choice but to "enforce the law." That would mean that henceforth Eskimos taking waterfowl for food between March 10 and September 1 would be considered to be in violation of the migratory bird treaties with Canada and Mexico, and therefore subject to arrest, confiscation of their guns, and to prosecution if they were apprehended while taking waterfowl.

Various groups and individuals, concerned with the serious plight of the Eskimos in these circumstances, urged that steps be taken by the State Department to negotiate a modification of the treaties with Canada and Mexico.

On the other hand, I was convinced that such efforts were unnecessary and instead urged my view that the Eskimos had not violated the provisions of the treaties, and that they could properly be so interpreted. I presented this view in letters to Secretary of State Dean Rusk, to Secretary of the Interior Stewart Udall, and to others.

I pointed out in an address to the Senate that no action had ever been taken during administrations prior to this to prosecute natives of Alaska for taking migratory fowl out of season and that this had not been the practice, either, of Canada or Mexico, the other signatories to the migratory bird treaty. It was my view that the treaty never contemplated a prohibition against taking of fowl for necessary food by Indians or Eskimo populations of the signatory nations. I hope and believe that my presentation of this solution to the problem which has arisen will be accepted as national policy and that further difficulties will not arise in Alaska.

INTERNAL REVENUE OFFICE OPENED IN ANCHORAGE

In accordance with my long-term ambition that all Federal Government services should be moved closer to the people of Alaska than they are in distant locations in the other States, I was happy to attend the ceremonies marking establishment of an Internal Revenue Service office in Alaska at Anchorage in January 1961. The transfer of this office from its former location at Tacoma is one more improvement in services to Alaska that are made possible by the fact of statehood and the representation of the people of the State by a congressional delegation at Washington.

CONSTRUCTION OF HIGHWAY ON ANNETTE ISLAND

As a result of my efforts, the Bureau of Indian Affairs has agreed to construct eight-tenths of a mile of road on Annette Island, to provide access to the Metlahatla powerplant. Funds for this improvement will be programed soon.

NEW POST OFFICES

In addition to the Kenai and Anchorage International Airport postal facilities already mentioned, we have succeeded in having a major Federal building programed for Juneau, the capital. This is now being designed.

Post offices were established during the year at Dot Lake, Kotlik, Buckland, New Stuyahok, Eagle River, Russian Mission, Halibut Cove, and Napakiak. Work began on new post office buildings at Spenard, College, Valdez, and Eastchester. Weekly mail service by air to Port Walter, Washington Bay, Port Armstrong, and Port Alexander was established at my request. Additional star route service was put into effect in the north Kenai area.

MISCELLANEOUS

At the urging of the Alaska delegation, the Department of the Interior agreed to modify the terms of a contract by the city of Kodiak to repay indebtedness incurred in connection with an Alaska public works project.

The first Alaska cost-of-living studies being made on a regular basis by the Bureau of Labor Statistics as a result of appropriations we obtained were issued this year for Anchorage and Fairbanks. Juneau and Ketchikan reports will follow.

At my urging, the Department of Agriculture assigned an assistant Farmers Home Administration supervisor to Alaska, to have headquarters at Fairbanks.

Higher per diem payments for Federal employees traveling on official business were put into effect this year by virtue of new legislation which I supported.

Mr. President, the list of accomplishments for Alaska and the Nation in this 1st session of the 87th Congress is a long one. I think we may take pride in what has been achieved.

At this turning point in history, the virility and the strength of the United States, the health of her economy, the versatility and might of her Armed Forces, and, above all, the determination of her people, are indispenable to our leadership in the free world and our capacity to insure the preservation of human dignity. The stakes are high; the problems difficult. What we do in the 2d session of the 87th Congress may be our supreme test. We will not fail our responsibilities.

Junk Mail Bonanza

EXTENSION OF REMARKS
OF
HON. JOHN M. ASHBROOK
OF OHIO
IN THE HOUSE OF REPRESENTATIVES
Wednesday, September 27, 1961

Mr. ASHBROOK. Mr. Speaker, one of the many unnecessary legislative enactments of the 1st session, 87th Congress, was the last minute extension of junk mail provisions for congressional franking privilege. This was extremely unwise in light of our precarious fiscal position, the deficit policies of the administration and Congress, the already overburdened postal system, and moreover, the waste it will encourage.

The majority party rammed this bill through as a part of the last hectic day's program. Those of us who wanted a rollcall on this issue were thwarted because of the majority party's insistence that there would be "no rollcall votes" on the last day. The American taxpayers should take a dim view of this flagrant abuse. By this new enactment, Congressmen can send nameless, addressless junk mail to cities.

I campaigned on the principle of overall program of economy in Government, with junk mail being one of the features in this program. I object not only to this legislation but the ramrod tactics which brought its enactment.

The Mount Vernon News, a fine daily newspaper in my district, had an excellent editorial on the subject recently:

MORE JUNK MAIL COMING

The last act of the 87th Congress was to approve a supplemental appropriations bill authorizing expenditure of more than a billion dollars.

Among its provisions was one which permits Congressmen to flood metropolitan areas of the country with political propaganda in the form of junk mail, delivered without charge to the Congressmen to the "occupant" of the many millions of residents in all the cities of the land, large and small.

Previously Congressmen had been given the privilege of sending such mail to residents in the rural areas on their plea that it was extremely difficult to obtain lists in such areas.

The action of Congress, therefore, extends this free mail privilege to the entire country without the Congressmen having to go to the trouble and expense of securing mailing lists.

It has been estimated that the cost of this service will run from $1,500 to $6,000 a year per Congressman, depending on how much of the junk the various Congressmen dump into the postal system.

Inasmuch as the Postal Department will not receive any revenue for the handling of this mail, it will increase the annual deficit at which the Department has been operating, a matter which has caused great concern to responsible public officials.

It goes without saying that all Members of Congress do not approve of practices of this nature, but there are enough to override opposition, as has been demonstrated in the junk mail privilege as well as in other matters designed solely to benefit Congressmen at the expense of the taxpayers.

These extraordinary privileges are many, but to name only a few they include a Federal pension if they are defeated for reelec-

tion after age 55 and have served 15 years on the Federal payroll, 5 of which can be in any Federal capacity, Capitol janitor, Army private or whatever; stationery allowances; clerical forces to which relatives are frequently appointed; junkets abroad that are written off as "official business" but which in the majority of cases are vacation trips at public expense; and medical service at Walter Reed and Bethesda hospitals.

All of these things, if exploited to the limit, could amount to thousands of dollars each Congressman is drawing annually out of the Public Treasury.

There are few if any employers who are as liberal with fringe benefits as Uncle Sam is with those who are selected to enact the country's laws. The legislators themselves have seen to that.

Reds in the Congo

EXTENSION OF REMARKS
OF
HON. THOMAS J. DODD
OF CONNECTICUT
IN THE SENATE OF THE UNITED STATES
Wednesday, September 27, 1961

Mr. DODD. Mr. President, during the month of September I spoke repeatedly in the Senate, criticizing U.N. intervention in Katanga and the composition of the Adoula-Gizenga coalition government in Leopoldville, which has been fostered by the U.N.

At that time, I had the feeling of belonging to an ineffective minority. The general trend of editorial policy seemed to support the U.N., although with some misgivings.

Within the past 2 weeks that has been a significant shift in editorial opinion. And the last few days have brought highly encouraging news concerning the conclusion of a formal cease-fire agreement between the United Nations forces and the Government of Katanga.

Over a 2-week period, the following articles and editorials appeared in national newspapers and periodicals, and I ask unanimous consent that they be inserted in the Appendix of the RECORD.

First. Article in the Wall Street Journal describing how U.N. was forced to intervene to prevent the Leopoldville Government from using U.S. aid dollars to purchase Communist arms in guise of "machinery."

Second. Editorial in the New York Times stating that the U.N.'s attempt to end the Katanga secession by force has failed, and that a solution must be found by conciliation within a federated state structure. It warned that the U.N. troops must not be tricked into aiding Gizenga and his Communist-oriented army take over the Adoula government from the inside.

Third. A feature article by Mr. S. L. A. Marshall which appeared in the editorial page of the New York Herald Tribune, presents the case for Katanga and President Tshombe.

Fourth. A lengthy letter to the editor of the New York Times written by Mr. George H. T. Kimble, former director of the American Geographical Society and head of the Geographic Department at Indiana University.

Fifth. An editorial in the New York Herald Tribune entitled "Let's Keep an Eye on the Congo," which takes the stand that the real threat to Congolese independence comes not from the Belgians whom President Tshombe has used to help maintain order, public services and economic vitality; "it comes from the Soviets and their allies who have been sheltered and encouraged in their intrigues by Antoine Gizenga and his demagogic predecessor, Patrice Lumumba."

Sixth. Editorial entitled "Are We Helping Deliver the Congo to the Communists?" from the Saturday Evening Post.

Seventh. New York Times article dealing with cease-fire agreement in Katanga.

There being no objection, the articles and editorials were ordered to be printed in the RECORD, as follows:

[From the Wall Street Journal]

REDS IN THE CONGO: THEY INTENSIFY POWER BID, HOLD KEY POSTS IN LEOPOLDVILLE REGIME—U.S. AID DOLLARS ALMOST BUY ARMS FOR PRO-COMMUNISTS IN GUISE OF "MACHINERY"—THE VOICE OF RADIO MOSCOW

(By John R. Gibson)

LEOPOLDVILLE.—Could the United States unwittingly help finance wily Communists attempting to take over the Congo?

As unbelievable as it seems, this is exactly what might have happened here except for last minute intervention the other day by United Nations representatives who suddenly spotted and became suspicious of a proposed Congolese trade agreement with East Germany.

Here is what happened, according to U.N. officials:

A high-ranking minister in the Congo's coalition central government, aided by a leftist Belgian adviser, secretly formulated an agreement to exchange 40 million francs ($800,000 at the official exchange rate), palm oil, and other products for East German "machinery." The only immediate outlay from the Congo's scanty foreign exchange would have been a 5-percent payment into a Swiss bank account. This 5 percent would have come out of $10 million in economic aid funneled into the Congo by Uncle Sam through the U.N. earlier this year.

"MACHINES" WERE ARMS

The proposed deal got almost completely through channels before it was discovered and blocked by the U.N. It took little investigation, U.N. sleuths report, to establish that the "machinery" actually was to consist of armaments, probably destined for Communist-sympathizing Congolese army troops based at Stanleyville.

As if this were not disturbing enough, it is believed the 5-percent payment eventually would have found its way back to the Congo, partly as a payoff to the minister and his Belgian adviser, and partly to finance propaganda activities against the present central government headed by Cyrille Adoula. Although this government, being a coalition, contains some pro-Communists, it is supported by the United States and generally is regarded as pro-Western.

The proposed deal with East Germany was just one of the many angles being tried here by the Communists and their allies, followers of the slain Patrice Lumumba. Their aim is simple: To take over the Congo. Their strategy, as deduced by westerners aware of what's going on: To twist the Adoula government to their purposes or, if that doesn't work, to turn the Congo once again into a brawling basin of tribal warfare—probably a fatal blow to U.N. prestige here.

REDS STAGE COMEBACK

Although the Communists and their sympathizers haven't had too much influence in Leopoldville since they were driven out by Congolese Gen. Joseph Mobutu a year ago, the near-success of the trade deal with East Germany points up their rapid comeback here.

As often is the case in new countries where everyone is bidding for personal power, it's difficult to tell which politician is a Communist, which a power seeker with no sincere political philosophy, and which is merely for sale to the highest bidder. In some ways, however, it makes little difference here in the Congo which of the three types a politician may be; if any of the three, he is probably getting his support from the Communists and would follow Moscow's direction.

Leading the list of pro-Communists here is Antoine Gizenga, a vice premier in the central government. Mr. Gizenga, a Lumumba follower, set up a rump government in Stanleyville last year after Lumumba's death and received counsel from known Communists. But many insiders believe Mr. Gizenga lost political power by hesitating for several weeks before deciding to enter the present Leopoldville government.

These authorities consider Chrystophe Gbenye, who was Mr. Gizenga's right-hand man at Stanleyville, as the most dangerous leftist leader in Leopoldville. As interior minister, he controls the police. He and his aides have been suggesting to some newspapers supporting the Adoula government that they may face censorship if they don't advocate tougher action against secessionist Katanga Province. Mineral-rich Katanga, headed by Moise Tshombe, so far has vigorously resisted Communist influence and reunion with the rest of the Congo.

OTHER LEFTISTS HOLD HIGH POSTS

Jason Sendwe, the other vice premier of the Leopoldville regime, also rates as a dangerous leftist, Westerners say. Mr. Sendwe lost out to Mr. Tshombe as Katanga's president. Other pro-Communists in the Adoula government: Remy Mwamba, minister of justice; Marel Bisukiro, foreign commerce minister; Joseph Lutula, who has the curious title of minister of the middle classes; and Egide Bochely-Davidson, whom pro-Reds pressured Mr. Adoula into naming chief administrator in Katanga, a job he still hasn't taken over.

With such men in powerful positions, it stands to reason that there will be a sharp increase in leftist activities, Westerners say.

Already, such a trend is noticeable. Although the old Lumumbist newspapers died out during the past year, a new one, Le Matin, has just made its bow. It shouts the leftist line that the Adoula government should squash Katanga fast with arms and without consulting the United Nations. Notices announce meetings of "young Lumumbist" groups.

These organizations have been hampered by a lack of leaders. After General Mobutu forced Russian and other Communist diplomats to flee Leopoldville, paid Red agents simply went underground or to Stanleyville. Now every plane from Stanleyville brings more of these leaders back.

From outside the Congo, Russia's Radio Moscow booms in over the short wave radios most Africans have access to. East Germans circulate a brochure declaring their policy to be "Africa for Africans."

Westerners expect Communist agitation here will increase after resumption of formal diplomatic relations between the Congo and Red lands. "The Communists are keeping quiet until they win recognition," asserts one Western envoy. "When they get that they'll open up. We're dealing with experts."

Moderate government leaders, notably Justin Bomboko, foreign minister, and Joseph Ileo, information minister, are trying to

stave off the Red advance. But the job isn't easy.

Leftist Gbenye's authority over the police means the government must find other means of enforcing a clampdown on Red propaganda. Some moderates favor turning the job over to General Mobutu's army but that would raise the danger of losing control over the trigger-happy soldiers. The U.N. has helped some by deporting during the past 2 weeks 30 local Belgians known to be Communists or some other breed of agitator.

If the present government here fails to control the left, as many pessimists believe will be the case, there is the possibility General Mobutu will return to action. He is rated strongly anti-Communist and hasn't said much during recent months. Observers question how much of the Congolese national army he controls but they concede it is enough to cause a new crisis. Another point: If General Mobutu should go into action, the U.N. might feel obliged to oppose him.

General Mobutu's lack of control over the important Stanleyville arm of the national army adds another advantage for the Reds. The Stanleyville force is controlled by Gen. Victor Lundula, Mr. Gizenga's chief of staff during the Stanleyville separatist regime. General Lundula has volunteered to march his army on Katanga, and Mr. Tshombe's government radio station periodically announces the Lundula army is on the move. U.N. representatives scoff at these charges but privately they fret that just this may happen.

What all this adds up to is a possible collapse of the central government here and an abrupt end to the United Nations and American influence. At worst, Westerners figure, this would lead to a Communist takeover; at best, it might result in a long period of unrest and neutralism.

[From the New York Times]

THE SMOLDERING CONGO

Among the many problems confronting the now leaderless United Nations is one that is surpassed in importance only by the Berlin crisis and the crisis over the Secretary Generalship. This problem is the Congo, where an uneasy truce threatens to explode into new violence that could again rock Africa, the United Nations, and the world.

The Congo presents three problems in one. The first is how to reunite the Congo, in particular how to reintegrate secession-minded Katanga, whose riches and revenues are essential to make the Congo a viable state. The United Nations' attempt to end Katanga's secession by force has failed. A solution must be found by conciliation, not new U.N. ultimatums, and within the long-projected federal structure that provides for substantial self-government for the federated states. This seems to be what President Tshombe really seeks. He is now half in, half out, of the Congo, but he has appealed to Premier Adoula for a "palaver," which is the African way of settling things. The Premier should not refuse.

The second problem is how to prevent Communist-oriented Deputy Premier Gizenga and his still independent army under General Lundula from taking over the Adoula government from the inside. Soviet agents, now returned to Leopoldville, are working toward that end. The U.N. troops, financed mainly by the United States, must not be tricked into aiding such a plot.

The third problem is how to maintain the United Nations troops in the Congo as a stabilizing force in the face of mounting deficits that threaten the United Nations with bankruptcy. Far too many states are following the Russian example in refusing to pay their assessments. It is up to the Assembly to take action against them. They are violating their charter obligation, the prescribed penalty for which is suspension of membership or expulsion.

[From the New York Herald Tribune]

THE STRANGE CASE OF KATANGA

(By S. L. A. Marshall)

In the Congo story there is nothing more ironic than the course of events which makes Moise Tshombe of Katanga the villain, the main antagonist of the United Nations, while Antoine Gizenga, the skulker from Oriente province, emerges as cooperator of sorts and almost a hero.

That happens only because the U.N. has its own design for the Congo, however much that plan may be against nature, and irrespective of the sufficient proof over the past 15 months that it is an excessive expectation.

It happens also because Gizenga sees what he thinks is a first-class opening by which ultimately to subvert the U.N.'s undertakings by grabbing power himself, which would mean riddance to the U.N. and all its works in darkest Africa.

Also, it happens because Tshombe still holds out, preferring that the little something solid (meaning Katanga) in the Congo quicksand to union with a central government which merely drifts along without either gaining political control of the country or demonstrating a capacity to administer it if it did.

The U.N. had great dreams. All of the Congolese chieftains were to get together in one big happy political family and henceforth speak the language of brotherly love. Thereafter, with the U.N. leading them by the hand they would be tutored into that degree of wisdom requisite to reestablishing the Congo as a thriving and productive union of provinces populated mainly by savages. It was foolish from the start. The leading Congolese had no such potential.

But what was the fundamental job, really? Simply this, the return of law and order, so that men and women would return to work, trade and industry would resume, food would move where it was required and creature satisfactions would return to normal. There would then be something for government to govern. That possibility could not be furthered by rupturing whatever remained in the Congo that was still operative.

Katanga did not share in the general collapse. Villain or no, Tshombe kept his province solid, productive and reasonably tranquil, considering the obstacles strewn in his path. The mines continued their output. The people were fed. And though Katanga cargo took a different route to the sea, its communications for the most part remained in repair, in contrast to other provinces. To Tshombe's credit, he at least did a more effective job of administering a large area, and avoiding chaos, than any other single Congolese. Further, he did not initiate separatism in Katanga. It has always had semi-autonomous control of its own affairs because the Belgian mining companies were powerful enough politically to keep it that way.

Tshombe sinned in two ways. The first was his bid for independence which was offensive to U.N.'s controlling idea toward the Congo, though it has recklessly supported the principle of self-determination practically everywhere else on the globe. His collateral transgression was the withholding of revenues by the Congo's one prospering province. The central government is many millions worse than bankrupt and hurting worse every day in its pocketbook. So blame Tshombe.

But listen also to this comment on the Leopoldville government by the U.N.'s Dr. Carl Sture Linner: "Its lack of money is not as dire as its lack of knowledge about how to spend it." If that be true, Tshombe's crime was that he would not help finance profligacy and ineptitude in a ministry whose control over the Congo extends hardly beyond the near horizon.

Furthermore, it was not Tshombe through his separatism and withholding of taxes, who prostrated the Congo. His withdrawal was an exacerbating factor but not the main squeeze. The damage done by it could be remedied soon enough, unless the U.N. embroils the whole community in trying to discipline one man, since Tshombe at least kept Katanga reasonably whole.

When Gizenga, the heir of the late Patrice Lumumba, withdrew to Stanleyville with his military cohorts, making by his presence a fief-holding of Oriental province, that was what scuttled the Congo's main chance for a gradual recovery. It also settled famine and worklessness on millions of Congolese.

There ensued a political blockading of the Congo River over the 1,100-mile stretch of its navigable waters between Leopoldville and Stanleyville. It was pressed from both directions as the politicos at both ends each sought to starve the other out, irrespective of the costs to the multitude.

When nothing moves on that great waterway, the Congo is in fully desperate straits. The stream is the life artery of the whole central basin of Africa and the immediate surrounding highlands. Roads and rails tie into it to make a communications network possible. Except that the jungle is more fruitful, depriving the region of this waterway is like keeping the Nile from Egypt.

That was Gizenga's contribution. The U.N. and the Congo moderates have temporarily made peace with him becuse it seems politically expedient. They should know better. The whole territory abounds with other alligators.

[From the New York Times]

U.N. IN KATANGA—ACTION HELD CONTRARY TO AGENCY'S ROLE, PLEBISCITE ADVOCATED

(The writer of the following letter, former director of the American Geographical Society and head of the Geography Department at Indiana University, is the author of "Tropical Africa.")

To the EDITOR OF THE NEW YORK TIMES:

There is something deeply disturbing about the recent activities of the U.N. in Katanga. For here is an agency dedicated to the finding of peaceful solutions to world problems, engaged in a war against people whose chief offense is that they happen to be richer than their provincial neighbors and object to the prospect of being either run or milked by them.

No matter how well meant this intervention may be, it can scarcely fail to disillusion those who hitherto have thought of the U.N. forces in the Congo as a kind of peace corps. This intervention is also calculated to confirm the suspicion of those who are beginning to wonder if the U.N. is not resorting to the very kind of coercion it has long condemned in the colonial powers.

Then, again, it is bound to produce anxiety in the minds of many yet-to-be-liberated peoples, for if the U.N. imposes its will on the inhabitants of Katanga, will it not later try to do the same on the Baganda, the Barotse, the Masai, and all the other African groups who equally have no taste for subjection to their stronger neighbors.

DETERMINING STATUS

Be this as it may, I take leave to wonder if the action of the U.N. is really in harmony with the spirit of its deliverances on the subject of self-determination. One of these, made in 1955 at a meeting of the Social Commission of the Economic and Social Council, stated that "all peoples and all nations shall have the right of self-determination—namely, the right freely to determine their political, economic, social, and cultural status."

If this statement means anything, it means freedom for the inhabitants of Katanga to decide, without internal compulsion or external fixing, what kind of government they want and who shall govern them. True, they may not qualify as a nation in the Western sense of the word, but most of them have as much identity as the 18th century Americans and the 20th century Jews, and as much right to the appellation of peoples.

The fact that they find themselves living inside the same political boundaries as several dozen other peoples is, I submit, no reason for the United Nations insistence that they should go on doing so, for the boundaries were artificial (being unethnical) in the first place, and in the second place, the peoples have few, if any, common bonds, other than their former subjection to Belgian rule and opposition to it. Many of them, in fact, differ at least as much as the Swedes do from the Spaniards.

EQUATORIAL TERRITORIES

The United Nations did not insist that the peoples of the heavily mineralized Gabon should continue to live in political association with those of the other three territories of French Equatorial Africa when they received their independence in 1960. On the contrary, it welcomed all four of them immediately and unanimously into its growing membership.

If, as is commonly affirmed, the main reason for the United Nations insistence on the continued political adherence of Katanga to the rest of the former Belgian Congo is because this province is heavily mineralized, it is surely surprising that the U.N. did not likewise insist on the continued political association of Gabon with its erstwhile French neighbors for, insofar as they are known, the geographical endowments of the Central African Republic and the Republics of Chad and Congo (Brazzaville) are individually smaller than those of the six provinces of the former Belgian Congo.

Not, of course, that the Central African Republic and the Republics of Chad and Congo (Brazzaville) are alone in their slender means. At least 10 of the African countries welcomed into the membership of the United Nations during the past 6 years have smaller revenues than any of the 6 Belgian Congo provinces had on the eve of the country's independence in 1960. At least five have, it could be argued, a lower "viability rating" than any Congolese province.

Would it not be better perhaps for the United Nations to use its meager financial resources for supervising a plebiscite to decide what kind of political allegiances the peoples of the Congo desire to form, rather than enforce an alien, and palpably unwelcome, will on one of them? There is a precedent for such action. A plebiscite was recently taken in British Cameroons with quite satisfactory results. There is also a compelling reason for it, namely, the maintenance of world peace—and the United Nations own high standing as the chief instrument of such peace.

GEORGE H. T. KIMBLE.

SOLSBERRY, IND., *September 26, 1961.*

[From the New York Herald Tribune]

LET'S KEEP AN EYE ON THE CONGO

For years it was possible to say, "Let Dag do it," with the knowledge that a difficult situation would at least be in the hands of an immensely capable and incorruptible public servant. But now there is no Dag, and this makes a world of difference—quite notably in the Congo, where he so tragically and abruptly lost his life.

Though an uneasy truce still prevails in Katanga, the Congo is by no means out of danger.

As it always has, the real threat to Congolese independence comes not from the Belgians whom Moise Tshombe has used to help maintain order, economic vitality, and essential services in Katanga; it comes from the Soviets and their allies, who have been sheltered and encouraged in their intrigues by Antoine Gizenga and his demagogic predecessor, Patrice Lumumba.

With the world's attention diverted, Iron Curtain agents have been pouring into Leopoldville to work their mischief, or at least to try to the best of their considerable ability. Premier Adoula has apparently been trying to steer an independent middle course, but whether he can succeed is still an open question. Vice Premier Gizenga and his lieutenant, Christophe Gbenye, in the vital post of Interior Minister, are at least Communist sympathizers, and there has been little evidence that Gizenga has abandoned his ambition to rule the Congo.

The U.N. army was turned against the only consistently stable, Western-oriented regime the Congo has known, which threatened no one. And the central government's plan to make a Red-leaning Gizenga deputy boss of Katanga if the U.N. operation had succeeded should be ample indication that all is not yet well in Adoula land.

It should be a warning to the West that any further efforts to force unification had better be scrutinized with care before they are allowed to proceed.

Congolese unity is still a goal to be pursued—but not unity at any price. Not at the price of freedom; not at the price of forced submission to a regime in which Communist agents and/or sympathizers have been allowed to gain control.

They have not yet gained control of the Leopoldville government. But there is a real danger that they may, unless the West plays its cards with care and determination.

Premier Adoula still has to prove himself. The U.N., after its spectacular blunder in Katanga, has to reestablish its claim to confidence. This will be harder without Mr. Hammarskjold.

Meanwhile, the U.N.—which has been assembling an air force in the Congo—ought to be put on clear notice that any renewal of its military offensive would be intolerable. And the United States—which as chief support of the U.N. operation has a moral as well as practical stake—had best keep a close watch.

Right doesn't alone make might in this imperfect world. It has to be made to prevail.

[From the Saturday Evening Post]

ARE WE HELPING DELIVER THE CONGO TO THE COMMUNISTS?

The New York Times put it conservatively when it stated recently that the United Nations, in invading the Katanga Province of the Congo, had set a precedent "at considerable risk to itself." Surely if the United Nations can invade the Congo to enforce its own theory of what this country's Government should be like—an action not hinted at in the United Nations Charter—other nations will want to know what goes on.

Leaving aside the pompous nonsense regarding the need to "bring peace to the Congo," the fact is that United Nations troops (financed for more than $40 million by the United States) brought war to the one part of the Congo where there was peace, prosperity, cooperation among the various races and an imposing "infrastructure" (to borrow a word from U.N. gobbledygook) of modern civilized living. President Tshombe of Katanga had agreed to go along with a federation of Congolese States, but the United Nations insisted that Katanga must submit to the total authority of a Communist-dominated central government.

Why representatives of the United States, which is a federal system, should crack down on the federal form of government for the Congo is beyond us. Even more mysterious is our support of the United Nations effort to force Katanga to weaken its economic and military posture by deporting white officers and officials. Mercenaries these are called, except when they are Communist Czechs, Poles, or Soviet citizens; then they become technicians. Following this imposition of racism, unwanted by the Katangans, came the demand, also backed by the United States, that Katanga knuckle under to the Communist-dominated central authorities.

As to the central authorities, Senator THOMAS J. DODD, of Connecticut, produced a translation of an article in the Soviet publication New Times which stated that the followers of Lumumba had a clear majority in the Congolese parliament and that Premier Cyrille Adoula was committed to carry out all decisions made earlier by the Lumumba government. It was already known that Adoula had agreed to make one of the Red-trained Gizenga's men minister of the interior (in charge of the police), and that one Egide Bochely-Davidson, another Lumumba protege, was to be chief administrator of Katanga.

Had it not been for the tragic accident which ended his life, Secretary General Hammarskjold might have rescued the United Nations from the consequences of its blunders. That the mess may have been created by U.N. representatives on the spot, without sanction by the home office, is suggested by the willingness of President Tshombe of Katanga to deal with Hammarskjold despite his previous refusal to talk with Dr. Conor Cruise O'Brien, the local U.N. "enforcer." The invasion of Katanga was obviously ordered without approval by the Security Council, as is made plain by the protests of the foreign offices of Great Britain and France. Lord Lansdowne, Britain's parliamentary undersecretary for foreign affairs, who talked with the late Secretary General before his death, is convinced that the U.N. forces had exceeded their instructions. We may be sure, in spite of the uneasy truce, that the Communists have not given up in the Congo.

Why do we go along with a course so freighted with disaster to the Congo and our commercial and strategic interests? For one thing, there is in the United States a heavily brainwashed but socially and financially prominent minority which has what the kids call a "thing" about the United Nations. These people pay little attention to what the United Nations actually does. All criticism is met by cries that "the United Nations is the hope of the world," or that it "stands between us and the horror of nuclear war." This sort of thing may represent the triumph of hope over experience, but it does constitute a considerable part of American public opinion to which any administration feels obliged to pay some heed. So the Communists get the strategic key to Africa—and the cobalt—and we get the consciousness of having acted nobly and disinterestedly.

We can hardly be expected to stand by the U.N., when the U.N. too often seems concerned with prompting Soviet objectives, especially in the Congo, whose people, insofar as they are articulate, want continued cooperation with the West.

[From the New York Times]

U.N. AND KATANGA AGREE ON TRADING CONGO PRISONERS—PROVISIONAL PACT ALSO CALLS FOR WORLD BODY'S TROOPS TO YIELD SOME POSTS

(By David Halberstam)

LEOPOLDVILLE, THE CONGO.—A prisoner exchange agreement between United Nations and Katangan officials was announced here today by the United Nations command in the Congo.

The agreement is not final. It still requires approval by United Nations headquarters in New York.

The accord, which the United Nations describes as a protocol implementation of the cease fire that was agreed on last month, also calls for the withdrawal of United Nations troops from several positions they took during 8 days of fighting in Katanga.

The cease-fire went into effect September 21. It was agreed on in Ndola, northern Rhodesia, between United Nations officials and Moise Tshombe, President of secessionist Katanga Province.

The truce followed fighting that began September 13 when United Nations troops took over in Elizabethville, the provincial capital, in an attempt to restore the province to the control of the central Government in Leopoldville.

TSHOMBE AGREES TO TRADE

President Tshombe and Mahmoud Khiari of Tunisia, a United Nations official, reached the prisoner-exchange agreement in Elizabethville last night.

It calls for an exchange of prisoners without further delay. This is scheduled to take place Monday afternoon.

The Katangans have 191 United Nations prisoners—184 Irish, 5 Italians, 1 Swede, and 1 Norwegian. The United Nations has an estimated total of 220 Katangan prisoners.

The agreement also calls for the withdrawal of United Nations troops from Elizabethville's post office, radio station, the Lido Hotel, and an underpass on the fringe of town that had been a key point during the fighting.

The agreement creates three subcommissions, each composed of two Katangan officers and two United Nations officers, to carry out inspection at any time and at any place at the request of either party. A complaint by either side on a possible violation of the cease fire would be handled by the subcommissions.

CIVILIANS DISARMED

The Katangans, according to the agreement, would assure that no civilians carried weapons. Both sides would work to stop hostile propaganda. This has been a key point. The United Nations has charged that the radio station in Elisabethville had been used primarily to stir up anti-United Nations feeling.

The United Nations had expected to give up the post office as part of the agreement. But some of the other points of the agreement, such as the withdrawal from the tunnel, were last-minute concessions to the Katangese.

The agreement also will permit the Katangese to operate again at the airport, which has been a United Nations stronghold. Katangan troops will be allowed to return to the airport and the Katangans will be able to fly provisions out of the airport to their troops in the back country. Civilian air flights will be resumed.

In effect, the agreement puts the airport under joint control.

Katangan forces and United Nations forces will remain in the positions they occupied on September 12 at Albertville, Niemba, Nyunzu, and Jadotville.

The agreement also provides that the United Nations will not consider the cease fire to be violated if Katangan troops reply to fire from some external attack.

Nothing more is given on this point. But the central Congo Government has made it clear that this agreement does not apply to it.

The point is thus somewhat unclear, since the United Nations mandate here calls for it to take any action necessary to prevent civil war.

United Nations officials here declined to comment on the agreement. There was no doubt that the concessions to Mr. Tshombe caught some officials here by surprise. Mr. Khiari is withholding comment until he returns here and Dr. Sture C. Linner, head of the United Nations mission in the Congo, is also withholding comment.

Mr. Khiari told officials here that the afternoon session with Mr. Tshombe had been marked by several eruptions and then returns. Mr. Tshombe called the new agreement a victory for Katanga.

It was noted here that the document made no reference to the February 21 resolution expelling mercenaries from Katanga. Newsmen had been told there would be a reference to this in the agreement.

Statement of Senator Dodd

EXTENSION OF REMARKS
OF

HON. THOMAS J. DODD

OF CONNECTICUT

IN THE SENATE OF THE UNITED STATES

Wednesday, September 27, 1961

Mr. DODD. Mr. President, on Tuesday, September 26, I had the honor of speaking before a meeting convened under the auspices of the Citizens Alert Committee of Corpus Christi, Tex.

To me this meeting was another impressive evidence of the remarkable grassroots anti-Communist movement that has sprung up in this country. This movement is, to a certain degree, amorphous and groping for leadership. What it signifies, however, is that our people are tired of defeats and retreats under Communist pressure, that they are looking for answers, that they are prepared to face up to the dangers.

In my statement before the Citizens Alert Committee, I tried to point out that the Communists have greatly accelerated their timetable of conquest and that the major battles which will decide the fate of mankind for centuries to come loom immediately on the political horizon.

I ask unanimous consent to insert the text of my speech before the Citizens Alert Committee of Corpus Christi.

There being no objection, the speech was ordered to be printed in the RECORD, as follows:

STATEMENT OF SENATOR THOMAS J. DODD, DEMOCRAT, OF CONNECTICUT, BEFORE THE CITIZENS ALERT COMMITTEE, CORPUS CHRISTI, TEX., TUESDAY, SEPTEMBER 26, 1961

FIVE MINUTES TO MIDNIGHT

"Five Minutes to Midnight" may sound like a melodramatic subject. But I assure you it is not melodramatic in the context of the present world situation. I have, in fact, chosen this subject with all deliberation because I believe that it truly and accurately reflects the gravity of our peril.

In a speech I made last year, I recounted all the defeats that the free world had suffered during the postwar period. I said that we stood with our backs to the wall, that we had no more room for retreat, no more margin for error. Another 15 years like the past 15 years, I said, and there would be no free world left to defend.

In the light of everything that has happened since last November, I now feel obliged to revise this estimate.

I am now convinced that the major battles which will decide the fate of mankind for centuries to come, loom immediately on the political horizon. I am convinced that, instead of 15 years, we now have to think in terms of a timetable of 2, 3, or 5 years at the most.

Berlin is not the only point of crisis. There are signs that the Communists are preparing for assaults at a score of different points—in Laos, in Vietnam, in Korea, in Iran, in the Congo, in Portuguese Angola, in Brazil and Venezuela and Mexico, and throughout Latin America.

During the entire postwar period, the free world has enjoyed military superiority over the Communist world. But it is the Communist world which has held the initiative and won the victories in the cold war.

They have held this initiative and they have won their victories for a very simple reason: the Communists have chosen always to attack, and we have chosen always to defend. They are trying to win the world for communism; we are always in the position of simply trying to hang on to what we have.

It is almost as though there were an understanding on a set of rules which call for the cold war to be fought only on the territory of the free world and never on the territory which has been incorporated by force into the Communist world.

If you took the best army in the world, with the best generals in the world, and the best equipment in the world, and compelled it to fight a war in which it could only defend but never attack, "the best army in the world" would soon lose this war. And we shall certainly lose the cold war and lose our own freedom in the process if we continue to fight under the arbitrary, senseless one-sided handicap that we have imposed on ourselves.

Every American has been brought up to believe in the power and invincibility of his country. It is almost impossible for us to conceive of America being defeated, of America becoming part of an international slave empire dominated by Moscow.

But no nation is invincible for all time, as mighty Rome learned at the time of the Barbarian invasions.

Let us have no illusions about it. America can be defeated. We can become slaves. If we place our comforts before survival, if we shrink from danger, if we indulge in pipe dreams rather than facing up to reality, then the future is black indeed.

If, on the other hand, we mobilize our resources, if we face up to facts with open eyes and face up to dangers without flinching, then I am certain that we will ultimately prevail.

The evidences are many that the world Communist movement is girding itself for massive assaults on what is left of the free world.

The conference of the Communist and Workers Parties which took place in Moscow last November issued a manifesto that should be read with care by everyone who wants to understand better what the future holds in store for us.

This manifesto was an unmistakable declaration of war against human freedom and free people everywhere. Above all, it was a declaration of war against the United States.

There was some exceedingly ominous language in this manifesto, the kind of language that a commander in chief would employ in preparing his lieutenants for an all-out assault. Let me read one of these passages from the manifesto to you:

"Indeed, the Socialist Parties and the Communist Parties must synchronize their watches. * * * It is necessary to check the time of the Communist movement so that our powerful army keeps in step and makes confident strides toward communism. Every party will adhere to these decisions in a strict and sacred manner throughout its activities."

The manifesto was full of phrases indicating the total confidence in the early victory of communism on a worldwide basis. It reeked of an almost drunken sense of power.

It said that the international Communist movement had become the most influential political force of our time. It claimed that victory would soon be theirs.

When Khrushchev visited our country in 1959 at the invitation of President Eisenhower, he took advantage of our hospitality to inform us that our grandchildren would live under communism.

The proposed timetable for Communist world conquest has been dramatically accelerated since this statement was made.

In the manifesto issued by the Moscow conference and in the 4-hour speech made by Khrushchev on January 6, 1961, it was apparent that the Communists were thinking of a timetable of some 10 or 15 years.

The developments of recent months, the crescendo of threats and ultimatums, the increasing arrogance of their manner, now suggest that the Communists have decided to further step up the tempo of their attack because they feel that they have the free world divided, in retreat, incapable of effective reaction.

On at least two occasions in the past 6 months, Khrushchev has indicated that he now hopes to see the worldwide triumph of communism in his own lifetime. Since he is heading toward 70, obese, and disposed to fits of rage, it is clear that Khrushchev is thinking of several years rather than 15 years. Khrushchev had never made such statements previously; I believe it would be a serious mistake not to attach significance to them.

The first aftermath of the Moscow conference was Soviet intervention in Laos. Indeed, the signatures on the manifesto were hardly dry when the first Soviet planes arrived in Laos bearing supplies for the pro-Communist faction.

At that time, they were still not as confident as their language suggested. They felt their way gingerly, because they were worried over the possibility of a vigorous free world reaction.

The first Soviet planes that landed in Laos in early December 1960 carried only benzene. We did nothing.

The next round of Soviet planes brought in small arms munition. Still we did nothing.

The next group of planes brought in mortars and howitzers and the ammunition for these weapons. Still we did nothing.

Finally, when it was clear that we would take no action to interfere with the buildup of Communist strength of Laos, the Soviet planes started ferrying in Vietminh officers and technicians.

The complete inactivity which had characterized the closing days of the outgoing administration, carried into the opening days of the new administration. There had been some talk of invoking the SEATO Treaty if the Communists persisted in their invasion of Laos. We said that we would not stand idly by while the Communists moved from one position to another position.

But we did nothing.

By May of this year, the situation in Laos had deteriorated to the point where the Royal Government forces had no alternative but to seek an armistice. Now we find ourselves negotiating for the establishment of a coalition government in Laos, under conditions where the Communists hold all the trump cards.

Even before the free world's defeat in Laos had been consummated in a formal ceasefire, there came the Cuban fiasco. Here again we demonstrated a terrifying incapacity for decisive action.

There is no question but that the great majority of the Cuban people had by that time turned against the regime because of its destruction of human freedom, its persecution of the church and the labor movement and the universities and the middle classes. The Kremlin had already intervened heavily on the side of Castro by providing him with massive quantities of arms. But in the name of nonintervention, we did not lift a finger to assist the Cuban freedom fighters once we had put them ashore. And the hopes of the Cuban people for early liberation went crashing to the ground.

On August 21 we suffered another crushing defeat in Latin America when Cheddi Jagan and his People's Progressive Party triumphed in the British Guiana elections. He was a minority victor who won with only 42 percent of the votes. But he had a plurality of three seats. This tiny plurality, I fear, will be enough to enable him to establish another Castro regime, which will give Moscow its first beachhead on the South American mainland.

We did nothing to encourage or assist the parties opposing Jagan. On the contrary, to the extent that we did intervene in the British Guiana elections, we intervened on Jagan's side. We intervened when, only 6 weeks before the election, we approved a World Bank loan of $1¼ million to British Guiana, which was personally signed for by Cheddi Jagan as Minister of Commerce.

Our handling of the Berlin situation has also been characterized by a seeming incapacity for action. We have committed ourselves to defend Berlin, and I believe we will. But when Khrushchev, on August 13, closed the access roads from West Berlin to East Berlin and erected a barbed wire and concrete barricade across the breadth of the city, it took us 3 whole days in which to file a protest so flimsy that the West Berliners demonstrated in indignation against it.

Again no action was taken.

No one, of course, wants a war, if war can be avoided. But a war of miscalculation becomes far more likely every time Khrushchev puts us to the test and we confine our reactions to expressions of indignation. Khrushchev will stop at nothing if he believes that the West always talks big but that it backs away from action.

In the case of the Berlin crisis, there were many things we could have done and should have done that would in no way have increased the danger of war. The simplest, the most dramatic, the most effective, and at the same time the safest measure, would have involved the imposition of economic sanctions.

It is my belief that, in response to the sealing off of East Berlin, the West should have immediately suspended all shipments of machine tools and industrial and chemical processing equipment and that it should have warned the Kremlin that it would follow this measure with a total economic embargo if there were any further provocations.

I have advocated this measure repeatedly on the floor of the Senate. It is a measure which would hit the Soviet regime in its industrial solar plexus.

The Soviet regime, from its inception, has shopped the free world systematically for the best industrial equipment it could find. If the Soviet regime today has a powerful industrial plant, if it has a technology with which it can threaten the entire free world, it is largely because of the assistance it has received from the United States and other free countries.

But despite Soviet successes, they have still not developed a capacity for the production of high precision machine tools and other precision equipment. These items they still try to obtain from the free world. And, in far too many cases, the free world places profit above survival and above principle, and sells the Soviet Union the machinery in which it is interested. Let me give you an example of what I mean.

Early this year, we stopped the shipment are employed in our missile guidance systems and firing systems. We were able to of 37 machines used in the production of the ultra-high-precision ball bearings that demonstrate in the course of our investigation that the Soviet Government had been trying desperately for many years to make such machines but had not been able to do so. We were also able to demonstrate that these machines, produced by American engineering genius, were absolutely unique in the world. And it was on these grounds that we were able to get the license revoked.

But I am greatly afraid that things like this are going on all the time, not merely in our own country, but in France and England, and throughout the NATO alliance.

This is why I say that an embargo on the shipment of machine tools and other critical industrial equipment would hit the Soviet Union like a blow in the solar plexus.

Such an action would be worth 10,000 speeches in convincing the Soviets that we mean business.

But so far no such action has been taken.

The pattern of paralysis which I have just described to you is all the more frightening because it goes back so many years. In fact, we have taken no really heroic action since we intervened in Korea. And even this heroic action was vitiated later when the paralysis of which I speak set in, and caused us to throw away the victory which could have been ours.

Our failure to act at the time of the Hungarian Revolution was probably the gravest and most costly of all our recent political delinquencies.

The Hungarian revolution was without question the greatest opportunity the West has had to force the Kremlin back to its prewar frontiers and to reestablish a stable political balance in Europe. The satellite empire was seething with discontent. Poland and East Germany, in particular, stood on the very brink of explosion. The Red army units stationed in Hungary had, in the first phase of the fighting, given indications of massive disaffection. Thousands of them, in fact, had gone over to the side of the Hungarian freedom fighters with their weapons. The Kremlin itself, as Khrushchev has publicly admitted, was aware of the gravity of the crisis and was divided on the course to be followed.

But instead of taking action to support the heroic freedom fighters of Hungary, we limited ourselves to pious declarations of sympathy. We did not even take the simple and obvious action of insisting on the immediate dispatch to Hungary of a corps of U.N. observers. Nor did we move immediately to make it clear that we recognized the government of Imre Nagy.

It would have been bad enough if we had been completely inactive. But our guilt went further than this. In almost so many words, President Eisenhower assured the Kremlin that we looked upon Eastern Europe as its legitimate sphere of influence and that we had no intention of intervening.

The Kremlin was encouraged by these assurances. The Soviet troops, which had been withdrawn from Hungary after their first inglorious defeat by the Hungarian freedom fighters, were sent pouring back into Hungary in a surprise attack, supported by a force of 5,000 tanks.

I can think of no more dismal moment in our entire history. I believe that the man who said, "The blood of the Hungarian people is on our hands," spoke for a considerable part of the American public.

In the present Berlin crisis we are paying for our inaction in Hungary, our inaction when the Communists were overrunning North Vietnam, our inaction in Laos, our inaction in Cuba.

There may be some people who believe that by inaction we are preserving peace.

But I believe, on the contrary, that, when you are faced with a ruthless and implacable aggressor, with a Hitler or a Khrushchev, inaction and appeasement lead inevitably to war.

The only road to peace is the one of resoluteness and courage and principle.

The time has come to call an end to our retreats before the worldwide offensive of the international Communist movement.

The time has come for action instead of words.

The time has come to recognize that we are engaged in mortal combat with a merciless enemy, that there can be no coexistence between communism and freedom because communism does not tolerate coexistence.

The international Communist offensive has been gathering momentum at a terrifying pace.

The more momentum it gathers, the more we retreat and concede under its pressure, the more difficult it will be to stop this offensive.

To stop it, we must somehow go over to the counteroffensive.

Communism has openly proclaimed its goal to be the establishment of a worldwide Communist order.

Let us openly proclaim our goal to be the worldwide triumph of freedom over communism.

Communism appears to be invulnerable only because we have granted it invulnerability.

Actually, it is the most vulnerable of all systems precisely because it is the most despotic and most hated of all systems.

The resentment and the hatred and the national spirit which made the Hungarian Revolution and the Poznan rebellion and the East German uprising and the Tibetan Revolution are not dead.

They are alive today in Hungary and Poland and Tibet and in all the countries that have been subjected to Bolshevik tyranny.

This hatred and this national spirit are also alive in China and in the Soviet Union itself. Remember that 80 percent of the Chinese soldiers captured in Korea refused to return home despite the strong ties of family, while in Hungary thousands of Red army soldiers defected to the side of the revolution.

On the day that the United States commits itself in all earnestness to a policy of liberation, on the day that it announces that it seeks nothing less than the worldwide triumph of freedom over communism, the weaknesses of communism will be increased tenfold.

Let us seek out these weaknesses systematically.

Let us stop helping them build up their economic strength with shipments of machine tools and critical industrial machinery and surplus food.

Let us stop pouring billions of dollars of aid into Communist countries.

Let us do our utmost to tear down the Communist tyrants, not build them up. Let us add to their difficulties whenever we can.

If they mount guerrilla movements in South Vietnam, let us mount them in North Vietnam.

Let us take the counteroffensive, let us strike a blow for freedom, whenever the opportunity presents itself.

The opportunities will not be lacking.

We could begin and should begin by helping the people of Cuba to recover their freedom from the most tyrannical regime that has ever oppressed them.

Let us do these things with a sense of urgency, without stint, with all the dedication and energy we can muster.

It is 5 minutes to midnight. There is very little time in which to reverse the trend to disaster.

Report to Constituents

EXTENSION OF REMARKS
OF
HON. CLEVELAND M. BAILEY
OF WEST VIRGINIA
IN THE HOUSE OF REPRESENTATIVES
Wednesday, September 27, 1961

Mr. BAILEY. Mr. Speaker, when the 87th Congress convened in January, all of us were full of hope. On January 20, when a new President assumed the arduous duties of the White House, we were ready to march forward toward the New Frontiers, arm in arm with our great Chief Executive.

Now that we have completed our first session's legislative schedule, it is time to take stock; to review our accomplishments and see whether our hopes of January have become realities in September.

Despite some setbacks and some unfinished business, the answer must be affirmative. Looking at the record of the first session objectively, we in the Congress can be proud of our accomplishments.

President Kennedy, on February 21, 1961, gave Democratic congressional leaders a 16-point priority list of legislation, which he said he hoped could be passed at the earliest opportunity. Much of this legislation was part of the basic Democratic program that Congress had pushed for years. A Democratic Congress, with the leadership and guidance of the Kennedy administration, acted favorably on three-fourths of this priority list.

A .750 average over a full season is championship performance, to use a baseball metaphor.

Subsequently, in special messages, the President submitted many other requests for legislation, the majority of which were given favorable consideration by the Congress.

The 87th Congress has met its responsibilities and has done so in such a manner that we can all be proud as we return to visit with the constituency we represent. We have worked hard. We have been productive. We have led the way to vast gains in our economic and military structure.

As for my own part in the work of the Congress, as a member of the Committee on Education and Labor, and as the senior subcommittee chairman, I have had an intimate relationship with important items on the President's priority list. The first bill our committee considered is the new Minimum Wage Act.

As the chairman of the general Subcommittee on Education, I listened to thousands and thousands of words of testimony relative to the educational needs of our Nation. More is in store for the forthcoming session, together with proposed consideration of a more liberal and fair school lunch program, as well as legislation to get a start on the special problems of the senior citizens.

I have also served as a member of the ad hoc Subcommittee on the Impact of Exports and Imports on American Employment. This subcommittee is gathering a wealth of material which will be of inestimable value as background when the Congress reviews our foreign trade policies next year. We have already collected a vast amount of statistics relating to the coal, steel, aluminum, glassware, pottery, and toy industries. More will be gathered and sifted during the congressional recess.

Other major bills upon which our committee acted favorably, and which I supported, were the youth employment opportunities bill and the bill authorizing a program of training of unemployed in vocational schools, or on-the-job retraining, to develop new skills.

Of special interest to the people I represent, I am most satisfied with the enactment of the Area Redevelopment Act, of which I was a cosponsor; the enactment of a stronger water pollution control act, which will provide for a study of the effect of runoff water from abandoned coal mines; the reporting from the Committee on Education of a bill extending the protection of the Federal Coal Mine Safety program to employees in smaller mines; the extension of the National Defense Education Act which has meant so much to high schools in each of West Virginia's counties and has enabled more than 1,200 West Virginians to attend a college or a university; and the appropriation of funds to start construction on armories and reserve training centers, including facilities at Fairmont and New Martinsville.

From a nonlegislative standpoint, I am extremely gratified at the success of efforts to open the Army's oversea coal procurement to West Virginia mines, which will directly promote the economy of so many areas of my State.

Mr. Speaker, I am proud that my voting record is such that I have both feet on the New Frontier. I have supported and fought for the President's measures to strengthen the domestic economy, to improve education, to combat organized crime, to control juvenile delinquency, to strengthen our ties with Latin America, to improve and extend our program of combating Communist aggression through foreign aid, and to strengthen national defense and internal security.

This then is a summary of the 1st session of the 87th Congress and my part therein. Any constituent, old or new, may obtain information as to any specific vote by addressing an inquiry to my office.

J.F.K. Should Realize We Aren't Spineless People

EXTENSION OF REMARKS
OF
HON. JOHN M. ASHBROOK
OF OHIO
IN THE HOUSE OF REPRESENTATIVES
Wednesday, September 27, 1961

Mr. ASHBROOK. Mr. Speaker, the Ashland Times-Gazette, one of the outstanding daily newspapers in my district, published an excellent editorial on July 8, 1961, which seems equally appropriate for consideration now that the session

of Congress has concluded. I recommend its reading to the Members of the House:

J.F.K. SHOULD REALIZE WE AREN'T SPINELESS PEOPLE

President John F. Kennedy created a great storm in this Nation last year when, as a candidate for President of the United States, he charged that U.S. prestige in the world had fallen to a new low.

He pledged that if elected he would act in such a way as to halt the downward trend in American prestige and restore the United States to its rightful place as the unchallenged leader of the free world and a mighty and reliable friend of all foes of communism.

Later, in his inaugural address, Kennedy said:

"Let every nation know, whether it wish us well or ill, that we shall pay any price, bear any burden, meet any hardship, support any friend or oppose any enemy, in order to assure the survival and success of liberty."

To date, President Kennedy has authorized a complete fiasco in Cuba, handed Laos to the Communists while our diplomats talked, and hidden from his own people the truth about his conference with Russian Premier Khrushchev in Vienna. He has proposed a form of censorship for the free press of the United States, has attempted to hide the true seriousness of his back ailment from the American people and has spent more time away from the White House in his first 6 months in office than his predecessor after he made repeated attacks during the campaign on former President Eisenhower's White House absences.

As a matter of fact, if President Kennedy was alarmed at the low state of U.S. prestige in the world last summer and fall, certainly there is total panic in the White House now. U.S. prestige never has been lower. Even some of our warmest friends and most resolute allies are reassessing their positions in view of our refusal to defend Laos, our failure in Cuba and our generally spineless posture in the face of trouble in other areas of the world.

Now there appear to be cracks in our determination to defend Berlin and in our steadfast refusal to recognize the Communist Chinese regime and to admit the China Reds into the United Nations.

Somehow we get the impression that President Kennedy is convinced, as was President Eisenhower in the fading months of his administration, that the people of the United States have no guts, will not support any firm or decisive action, and would almost surely impeach a President who took any risk other than appeasement.

Certainly this is not the general attitude in this part of the Nation. Perhaps the White House is too heavily populated (overrun would be a better term) with the longhair "thinkers" of the effete East from Harvard.

This is no time to be a sittin' an' a thinkin' while resting aching backs in a comfortable rocking chair. It is a time for action, a time for guts (or courage, if the Harvardites prefer the gentler term), a time for all of us to stand up and be counted.

We must make it clear to the Russians by our actions, not just high-sounding words (written by Harvard English professors), that we will not tolerate for one instance the loss of another square foot of territory by any means anywhere in the world.

If this requires that we fight, then fight we must. We are rapidly reaching the point where we must fight or perish. We had little use for the ruffian from Missouri, Harry S. Truman, during his years of White House occupancy, but sometimes we long for H.S.T.'s return so when a job comes along, that needs doing, it would get done, one way or another.

The people of the United States picked a mighty poor time to elect to the White House a man with a weak spine.

Congressman Samuel S. Stratton's Report to the People of the 32d Congressional District on the Accomplishments of the 1st Session of the 87th Congress

EXTENSION OF REMARKS
OF
HON. SAMUEL S. STRATTON
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 27, 1961

Mr. STRATTON. Mr. Speaker, once again it is my privilege to report to the people of the 32d Congressional District of New York, whom I have the honor to represent, on the record of accomplishments of this 1st session of the 87th Congress, the first Kennedy Congress.

A PRODUCTIVE SESSION

This has been a long session, the longest in 10 years, but it has also been a most productive session, one of which we and the people we represent can, I believe, be justly proud.

Some idea of the extent of our accomplishments can be gained by noting that during this session, quietly and without great fanfare, we have enacted some 33 major pieces of legislation. Even if not all 33 were of equal importance, this record still measures up most favorably alongside the 11 pieces of legislation enacted by the first Congress under Franklin D. Roosevelt, for example, or the 12 enacted under the first Eisenhower Congress.

COMBATING UNEMPLOYMENT

One of the biggest jobs that faced us this year was taking prompt action to end the recession, to get our economy moving again, and to bring new job opportunities into our distressed unemployment areas like Amsterdam, Gloversville, Johnstown, Schenectady, and Oneonta.

Our first big step was enactment of the distressed areas bill, or the Area Redevelopment Act, for which I have long been fighting as a cosponsor. In fact, for me the high point of the whole session came when President Kennedy invited me to the White House to see him sign the bill into law. And on my office wall in Schenectady today is proudly displayed the pen he used that morning.

As soon as the bill was signed I arranged for a special area redevelopment conference for upstate New York. This was held in Amsterdam on July 21. A later conference was held in Oneonta on August 22. Already steps are underway to bring help under this bill to the unemployment areas of our district.

STIMULATING JOBS AND BUSINESS

Also designed to stimulate jobs and business were the housing bill, the water pollution bill, and the Interstate Highway Finance Act of 1961. These measures made it possible for communities like Gloversville and Johnstown to continue to take advantage of urban renewal programs to revitalize their downtown areas. They enable communities like Canajoharie to move forward in building a new sewage treatment and incinerator plant. They pushed along construction on the northway and the thruway spur in Schenectady, with all the added construction jobs those projects entailed.

Also to combat the recession, Congress passed an extension of unemployment benefits, provided for voluntary social security retirement for men at age 62, extended aid to children of unemployed persons, increased the minimum wage in certain fields, and underwrote an extensive broadening of the surplus food distribution program.

STRENGTHENING THE NATION'S DEFENSES

Perhaps the most significant action which this Congress took was to authorize a sweeping increase in our armed forces to meet increased Soviet belligerence. The more than $2 billion we added to the defense budget went for greater protection—more of those polaris submarines I have been pushing for, more manned bombers, more ships and tanks, and more guns for our troops.

DEFENSE CONTRACTS AND ROAMA

A corollary result of our new defense buildup was the welcome decision, for which I have long been pressing, to retain the Griffiss Air Force Base in Rome at full strength, and without any cutback in the vital 6,200 civilian jobs located at the Rome Air Materiel Area—Roama. Besides that, defense contracts being channeled into unemployment areas of New York State rose by over 300 percent in the second quarter of 1961 and rose by 12 times in the Schenectady area, another substantial boost in putting people back to work.

BIG LEAP FORWARD IN SPACE

Still another program of vital importance to our overall national defense was the bill authorizing $2 billion more for an all-out crash program designed to overtake and surge ahead of the Soviet Union in space travel. This so-called man-on-the-moon program was not a gimmick. It was a very necessary effort to gain for our country the same kind of predominance in space that our Navy presently affords us on the high seas and that our Air Force provides for us in the air. It should be noted that this crash space program passed the House without a single dissenting vote, in spite of the added budget cost.

STANDING FIRM IN BERLIN

Another historic accomplishment of this session was the legislation calling up our Reserves as evidence of American determination to back up President Kennedy in his firm resistance to Communist pressures and threats in Berlin. By coming to Congress for this authorization, instead of acting entirely on his own as he could have done, the President made it possible for Congress to register unmistakably our complete national unity behind the freedom of the people of West Berlin.

LOCAL FLOOD CONTROL PROJECTS

The fight for adequate flood control protection for our district was successfully advanced in this session of Congress. Funds were appropriated to continue flood protection works on the South Chuctanunda Creek in South Amsterdam, and also to initiate, at my request, a new study of flood protection measures along the Mohawk at Schenec-

tady. Congress also appropriated funds to get underway the new overall survey for the north branch of the Susquehanna River in Otsego County. In fact, a public hearing in line with this new survey was held in Oneonta earlier this spring. The purpose of this survey is to develop a successful alternative to the old 1936 plan for constructing three big dry reservoir dams in the Otsego County area.

At my request, the U.S. Army Engineers also moved in promptly on July 29 when flash floodwaters hit the village of Unadilla, and they are currently studying the possibility of Federal help to Unadilla for rebuilding needed flood control works.

GLOVE AND CARPET IMPORT PROBLEMS

Several major strides forward were made in Congress in the fight against destructive low-cost foreign import competition, especially in the glove and carpet industries. This progress was largely the result of the actions of two congressional groups, of which I have been a charter member, formed to combat excessive imports. One of our groups, headed by the chairman of the House Armed Services Committee, the gentleman from Georgia [Mr. VINSON], paid several visits to the White House, conferring with the President and with some of his top advisers, seeking help and relief.

The biggest developments of the year along this line were the two favorable decisions handed down by the Tariff Commission, one in the baseball case, the other in the Wilton and Velvet carpets case. In both instances, the Commission reversed its earlier decision and recommended additional tariff protection. Although final approval of the Commission's recommendations has been delayed by the President to permit the submission of additional evidence, I am most hopeful that in the end he will approve them both, and thereby demonstrate his determination to make the escape clause of the Trade Act really work. And so, in comparison with events of the last few years these have been promising happenings indeed.

COOPERATION WITH THE PRESIDENT

One major reason for the substantial amount of constructive legislation adopted by Congress this year was the unusually high level of cooperation between Congress and the new President. Mr. Kennedy was never too busy to welcome a visit from a Congressman with a problem to discuss—or even, as I discovered, with just a baseball from the Baseball Hall of Fame in Cooperstown to be autographed.

In general, I supported the President's program in Congress this year. I did so for two reasons. First, because it was directed at what I regarded as the two absolutely vital goals of restoring jobs and business at home, and building an invulnerable deterrent to Communist aggression abroad; and second, because I believed most strongly that any President, especially a new one, deserves a fair and reasonable opportunity to get his program underway. In this same spirit I supported a good deal of Mr. Eisenhower's program, too, in the last Congress, and I refused to join in attacks on his conduct of foreign affairs over such things as the U–2 incident. In this Congress I similarly believed it was essential for us to back up President Kennedy's request for greater long-range leeway in the administration of our mutual security measures, and his proposal for a Peace Corps and a new Arms Control Agency. We live in perilous days today, and in the conduct of our foreign policy, we must, I believe, speak with one, clear, firm voice.

FARM POLICIES

As the representative of a major dairy and poultry farming area in upstate New York, I found myself this year one of the few Congressmen of my party in the whole northeastern section of our country whose district included major farming regions. In fact, not a single New York State Congressman was on the House Agriculture Committee this year.

A number of events have been helpful to the farm area of our district in this session, for example, the expanded school milk program, the increased use of farm surpluses abroad, the action of the Agriculture Department in boosting the price of class III manufacturing milk, and the public hearing on possible further boosts in this class III price.

I did not, however, support the feed grain bill or the omnibus farm bill, because of the effect which I believe these pieces of legislation would have on farm costs in New York State at a time when real relief for our own dairy farmers is still a long way off. It seems to me shortsighted for the Department to help grain farmers in the Middle West without making corresponding protection available to the equally important interests of dairy and poultry farmers in New York State.

DEFEAT FOR THE MILK SANITATION BILL

I am pleased to report success once again this year in my perennial fight to kill off the so-called milk sanitation bill. This measure would, under the guise of setting up health standards, actually make it possible for midwestern dairy farmers to flood New York State markets with their "tired midwestern milk," thereby depressing still further the income of New York State farmers. I can report that following my own testimony against the bill this year, it has been bottled up in committee for still another year.

ANTICRIME BILLS

As a former mayor who gained some experience in office fighting against organized crime and racketeering, I was especially pleased that Congress this year passed by an overwhelming vote three pieces of legislation I had joined in sponsoring and which had been requested by Attorney General Robert F. Kennedy to break up interstate criminal and racketeering organizations.

BUDGET, FISCAL MATTERS, AND THE GOLD OUTFLOW

While Treasury experts estimate that fiscal year 1961 will end up with a budget deficit, which usually happens in a recession year, there are a number of encouraging matters to be kept in mind.

First, about three-quarters of the expected $6 billion deficit stems from our expanded defense and space programs, which were, as I have mentioned, supported virtually unanimously by Members of the House and Senate of both major parties. Most of the balance went for antirecession measures, a top emergency item.

Second, the total deficit expected from the current recession, about $8 billion, compares very favorably with the overall deficit of $15 billion that was left over from the 1957–58 recession.

Third, while overall Government spending was up somewhat this past year, the percentage of our total national income spent for Federal Government purposes was actually smaller than in the preceding year, which means that the public sector of our economy has not expanded in relation to the private sector during this past session of Congress, but just the opposite.

Fourth, President Kennedy's fiscal policies have now completely stopped the dangerous outflow of American gold supplies that was underway at the end of last year. Now, by contrast, gold is moving back into our country, a most encouraging indication of fiscal stability.

CONCLUSION

While this session of Congress, this first Kennedy Congress, has been a genuinely productive one, much remains to be done, for example, in the field of health insurance and education. The whole reciprocal trade agreements program is also up for reconsideration in 1962. These problems lie ahead of us to be dealt with in the second session of the 87th Congress which opens on January 10.

In the meantime, I want to express my thanks and appreciation to all who have written me to express their views, to those whose cooperation made our annual questionnaire a success once again, and to those whose advice and assistance have made the job of being a Congressman more effective. It has been an honor once again to serve as your Representative in Washington.

In the weeks ahead I look forward to meeting and talking with all of you in the course of my regular open air office hours and my other visits around our district. My Schenectady office, FR 4–4000, is always open to serve you, and my Washington office, CA 4–3121, extension 5076, will also remain open daily during the recess. At both locations my staff and I stand ready to be of service to you at any time and in any way we can.

Project More

EXTENSION OF REMARKS

OF

HON. LISTER HILL

OF ALABAMA

IN THE SENATE OF THE UNITED STATES

Wednesday, September 27, 1961

Mr. HILL. Mr. President, I should like to call the attention of Members of Congress to Project More, a new program of public service that is being undertaken by the American Academy of

General Practice, the Nation's second largest medical association and the official organization of family doctors. Through its membership of 27,000 physicians, the academy is launching a nationwide program to recruit talented young students to careers as physicians. As a first step, a pilot study will begin in November 1961, in Omaha, Nebr., and Binghamton, N.Y.

Through Project More, the American Academy of General Practice will provide the means and stimulus to enable the medical profession, and individual doctors at the local level, to compete on a positive basis with other sciences for the qualified students of the Nation. While indicators point more and more conclusively toward an overall physician shortage, the situation in the family doctor ranks is desperately critical right now, especially in less densely populated areas. This is true in the face of mounting public demand for the family doctor, who cares for the individual as a person and the family as a unit.

Project More is divided into two simultaneous phases. The first is direct doctor-to-student presentation of the medical career story to junior and senior high school students through a formal program in the schools, and, beyond the students, to their parents and community citizenry through civic and service club speeches, television and radio appearances, and other means. The second phase is a program of publicity and promotion designed to create public awareness on as wide a scale as possible.

I want to take this opportunity to commend the American Academy of General Practice for the splendid public service they are undertaking with Project More. I know that their efforts will help to bring better medical care and more medical care to our fellow citizens, now and in the future.

I ask unanimous consent to have printed in the Appendix of the RECORD a special report on Project More that appeared in the July 31, 1961, issue of the Headquarters Bulletin of the American Academy of General Practice.

There being no objection, the report was ordered to be printed in the RECORD, as follows:

PROJECT MORE, A CONTINUING PHYSICIAN RECRUITMENT PROGRAM OF THE AMERICAN ACADEMY OF GENERAL PRACTICE

DESCRIPTION

Project More is a program of mechanics designed to assist chapters of the American Academy of General Practice to engage in the recruitment of medical students in the various communities of the United States where their members are located. In addition, it will be used as the tangible hook on which to base national and local publicity, which will, in turn, provide a stimulation to participants to continue and expand their efforts.

Project More will begin on a trial basis in November 1961, and continue 1 month. Activities of a concentrated nature, which will be microcosmic of the national program, will be conducted in two test cities. These test cities will be Binghamton, N.Y., and Omaha, Nebr. Following the studies, which will take place as nearly simultaneously as possible, experience data from each will be collated, analyzed, and included in a master plan which will be prepared at academy headquarters and made available to all State chapters of the American Academy of General Practice.

Project More is a doctors' program. It will be conducted by physicians because it is the academy's belief that doctors are the best recruiters of future doctors. Members of the academy, initially in the test cities and later in the national program, will form Project More task forces and conduct the program under the direction of a local coordinator. Material to be used in the program will be prepared by the academy headquarters staff. In addition, the headquarters staff will have overall responsibility for the national and local publicity programs, conducting the former directly and the latter through the local project coordinator.

Project More presently will be aimed at junior and senior high school students. Ultimately, it is expected that it will be expanded to include junior high school students and students in liberal arts colleges. An important part of the program at the local level will be a junior preceptorship segment in which students selected by school career-guidance authorities will spend a day in a depth association with individual members of the task force. These students later will prepare essays outlining their experiences and feelings toward a physician career which will be judged by a local panel of judges, the best selected, and then the two top ones from each test community judged by a national panel. The winner of this national selection will receive a prize consistent with the scope and intent of Project More.

Project More is an official program of the American Academy of General Practice. It was conceived as a first step toward forestalling the imminently threatening doctor shortage, particularly the critical shortage of American family physicians. As the Nation's second largest medical association and the official organization of family doctors, the academy recognizes its obligation to the citizens and families of the United States and will begin to discharge this obligation with Project More. The project was officially sanctioned by the congress of delegates of the academy at the annual scientific assembly in Miami Beach in April, 1961.

PLAN OF ACTION (TEST CITIES)

Project More will be conducted in the test cities within the framework of the following specific plan of action. This plan of action is a study plan and will be added to and/or subtracted from the national plan as the individual segments give evidence of usefulness in practice in the test cities. These test activities will be conducted with the full knowledge and assistance of the test-city school systems as well as with the sanction of the local governments and medical and other involved organizations in these cities. The groundwork for sanction by these groups is being laid at the present time.

The test plan

Proclamation of "M.D. Career Month": By act of the city council, this proclamation will be made to launch officially the month-long program in the test cities. This will constitute the official recognition by the cities of Binghampton and Omaha of the fact that Project More will be conducted in these communities during the month of November, 1961.

Inauguratory address to student audiences: Task force members will inaugurate Project More in the test-city high schools in addresses to assembled junior and senior classes, explaining the fact that the project is being launched on a test basis in the two cities and outlining the aspects of the month-long campaign and the purpose of the national project.

Formation of future physicians' groups: Interested and curious students in each high school will be enrolled, with assistance from counseling authorities, in future physician groups known as "Ars Medica" groups. These will form the hard core of the student audience with which the task force will work during the bulk of "M.D. Career Month." Membership will not necessarily be limited by academic qualifications, but rather by expressed interest or curiosity about a physician career.

It is contemplated that these "Ars Medica" groups will meet three times during the first 2 weeks for approximately 1 hour each time. The first session will consist of an introduction to medicine; the second, a discussion of medical education, and the third, an impromptu discussion of the pros and cons of medical practice, with a question and answer period. There will be one session during the third week which will be devoted to a tour of hospitals and other medical facilities. A single session the fourth week will consist of an entertainment period such as a picnic or coke party for the entire group, and will feature informal discussions with task force members.

Formation of "junior preceptorship" groups: These groups will be selected on the basis of interest and/or curiosity from among scholastically qualified students in the "Ars Medica" groups. School authorities, including career counselors and English instructors, will determine these selections. These students, who will be the most likely candidates, will be given the opportunity of spending a day in close association with individual members of the task force. These "preceptorship" activities will be the heart of the program and careful personal attention will be accorded them by members of the task force. This will not be a matter of having a student "sit in the waiting room waiting for the doctor" the whole day, but rather will be a matter of as close association as possible between the two participants as to patient conferences, attention to the medical library, hospital rounds, house calls, and even to the extent of spending an evening with the physician in his home. Each participant will be thoroughly briefed as to how the day's activities should be conducted, and it is hoped that the association will provide a platform from which a close personal friendship between physician and candidate may grow. Not only will the "preceptee" be alert to the physician's daily activities, with an eye to the production of an essay, but, also, the physician will be measuring the student against a yardstick for future doctors based on his own experience and a profile provided by the academy.

Essays prepared by "preceptees" will be judged by a panel of judges selected from among thought leaders in the community. A winner will be chosen from among preceptees in each test community and the two resultant winners then will be judged by a national panel, with the winner of this competition receiving an appropriate prize. Finale dinners honoring "junior preceptees" and their parents in each community will be held to mark conclusion of the month's activities and to announce the winners of the essay contest.

Promotion of Project More: Promotion of the project in the test cities will be launched with the proclamation by the city government and continued throughout the month-long program. It will be conducted in the test community simultaneously with the development of the program, and on the national level as nearly simultaneously as possible.

Promotional activities in test cities

News and feature stories in daily and weekly newspapers.

Appearances by task force members on television and radio programs.

References to the project by clergy in church activities.

Coverage in industrial house organs.

Addresses to service and civic groups by task force members.

Coverage in chamber of commerce and other organizational bulletins.

Tie-ins with local merchant advertising.

Poster promotion in drug and retail outlets.

Literature in physicians' waiting rooms.

Letters from task force members to patients, outlining Project More and requesting interested sons and daughters to make appointments for discussion.

National promotional activities

Coverage in medical journals published by the academy, and other national medical publications.

News and feature coverage by national wire services.

Feature coverage by national lay magazines.

News and feature coverage by network television and radio.

Arrangements have already been made for much of the national coverage. The local promotion will be developed during the summer and early fall and will be timed to begin breaking as soon as the program opens in November. It then will be carried on throughout the program on a coordinated basis.

Report to the Fifth District of Massachusetts

EXTENSION OF REMARKS

OF

HON. F. BRADFORD MORSE

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 27, 1961

Mr. MORSE. Mr. Speaker, we have just concluded a long and strenuous session—the longest since 1951 at the peak of the Korean conflict. As a new Member, I want to express my gratitude to the House leadership for its courtesy and helpfulness to me. I also want to thank the good people of the Fifth Massachusetts District who have helped me immeasurably in my work here in the Congress by sharing with me their suggestions and their criticisms, by letting me know of their apprehensions and their hopes. I am grateful to them for the sympathetic reception accorded my first 9 months of service.

Throughout this session I have kept in direct touch with the people I am privileged to represent through newsletters, radio talks, and frequent trips to my district. I have maintained an office in Lowell at 15 Kearney Square and another at 1705 Federal Building in Boston to better serve those constituents of the district who reside in the metropolitan area. Only by keeping close to the source of all government power—the voters themselves—can honest, reliable representation be possible.

This, then, is my first annual report to the Fifth District of Massachusetts, the area which gave birth to the liberties we cherish today.

COMMITTEE ASSIGNMENTS

Early in the session the House leadership assigned me to two committees: the Committee on Government Operations and the Committee on Merchant Marine and Fisheries. The former includes service on the Military Operations Subcommittee, one of the most powerful bodies in the Congress, which audits the expenditure of defense funds, seeking always to eliminate waste and inefficiency in the expenditure of more than one-half of our Federal budget outlay. Within the scope of this subcommittee's responsibility also falls our civil defense program. The Merchant Marine Committee assignment permits me to keep an active eye on many matters directly affecting our great port of Boston and our New England shipbuilding industry.

LEGISLATIVE ACTIVITIES

FOREIGN AFFAIRS AND NATIONAL SECURITY

From the very outset, the 1st session of the 87th Congress was darkened by the lengthening shadow of the Kremlin. The tragedy of Cuba, the erosion of free soil in Laos, the deteriorating Berlin situation, the chaos in Africa—all were telescoped within the first 9 months of 1961. Within constitutional limitations, the Congress worked to lift the Communist shadow.

We granted a special $500 million Latin American appropriation, and $100 million for Chilean disaster relief, as requested in 1960 by President Eisenhower and recommended again by President Kennedy this year. We passed a foreign-aid bill designed to meet the needs of people fighting communism on the one hand, and poverty and hunger on the other. While granting the President a generous contingency fund and the power to program development loans on a 5-year basis, Congress prudently retained its responsibility to review the program each year.

In an attempt to carry freedom's message to the people of newly merging nations, to work side by side with them in developing their full potential, we created a Peace Corps. We also supported the establishment of a U.S. Arms Control and Disarmament Agency, to search for workable, effective approaches to the solution of the world's problems.

As we intensified our peaceful offensive against Communist ambitions, we steadfastly continued our efforts to maintain a strong deterrent force—a defensive strength so powerful that it will continue to hold any would-be aggressor at bay. When the President called for additional defense funds as the Berlin crisis took shape, Congress responded readily and unanimously. In all, we granted a record-breaking peacetime total of $47.6 billion for the Department of Defense.

Without a single dissenting vote, the House of Representatives made clear its opposition to the recognition of Red China and its admission to the United Nations.

DOMESTIC ISSUES

While the Congress displayed a generally united front on foreign affairs, there was considerable division among Members of both parties on homefront legislation.

I supported the minimum wage increase with the hope that it would bring into closer competitive range those States which have lured away so much of our New England industry through low-wage inducements.

When the Congress considered the area redevelopment bill, I warned my colleagues that it could open the door to federally subsidized raids on existing industries. Fortunately, antipirating guarantees were written into the legislation, and I voted for the bill as it passed the House, although I preferred, and worked actively in support of, a substitute proposal which would not only have reduced the drain on the Federal Treasury, but would also have provided more meaningful assistance to those areas which most urgently need it. After the bill emerged from the Senate and came back to the House from conference, it contained what I regarded as dangerous and unnecessary back-door spending provisions. This factor, coupled with my earlier misgivings about the bill, prompted me to vote against the conference report.

Another major dispute arose when the Congress was called upon to choose between a $1.1 billion continuation of the housing program and a vastly expanded bill with an inflated price tag of $8.8 billion. I voted for the measure which would have continued all existing programs, and against the massive committee bill, following the clear mandate of President Kennedy only a few weeks earlier when he pleaded with the Congress not to expand his proposals and to "hold tightly to prudent fiscal standards."

We were successful in preventing an all-out abdication of power to the Secretary of Agriculture, but the farm legislation which was passed still was costly and entwined in redtape, a hangover from depression and war days when high supports and rigid controls were inaugurated. We were, however, able to block an administration proposal to sell U.S. farm products, subsidized by American taxpayers, to Russia.

The Federal aid to education bill ended in deadlock in the very Rules Committee I had voted to expand earlier in the session in the hope that the House would have an opportunity to work its will on every major issue to come before it. The House itself refused to be steamrollered into debate on a hastily contrived measure which was brought to the floor after but a few minutes' consideration by the Education Committee, and under rules which severely restricted adequate consideration of a highly complicated subject. Many wholehearted supporters of Federal school aid in both parties opposed the consideration of this makeshift bill. Even the National Education Association, which has worked so hard over the years for school aid legislation, labeled it a bad bill. I worked diligently for legislation to continue necessary and just aid to impacted school areas, and was pleased when the Congress enacted a bill practically identical to one I filed in February to achieve this purpose. In company with the overwhelming majority of my colleagues, I supported continuation of the vitally important National Defense Education Act.

I supported the water pollution control program; the extension of unemployment benefits to jobless workers and to their dependent children; the motion to eliminate the wartime excise tax on transportation; the bill to create the

Cape Cod National Seashore; the move to eliminate funds for the Hanford Reactor Plant, which I believe would have been an unwarranted intrusion in the field of private endeavor, and the proposal to continue the Civil Rights Commission for another 2 years—although, like many other Members, I was deeply disappointed in the administration's apparent indifference to civil rights legislation.

MORSE LEGISLATION

During this first session I introduced a total of 33 public and private bills and resolutions. Some of these measures evidenced my support of identical bills introduced earlier, others were original with me. Among them were a bill to create a U.S. Agency for World Peace and Security, ultimately passed by the Congress under the title of the Agency for Arms Control and Disarmament; a proposal to provide credit toward retirement for periods of hospitalization for service-connected disabilities immediately following discharge from military service; legislation to provide a long overdue increase in veterans' compensation for disability incurred during active military service; a plan to expand oceanographic research activities of the Department of the Interior; a bill to grant to self-employed persons the same tax deferment privileges on money put aside for pension purposes as now enjoyed by employed persons—identical, by the way, to a bill which passed the House and now is pending in the Senate; legislation to authorize wider distribution of books and other instruction material for the blind; a resolution to create a House Select Committee on Urban Affairs; the Cape Cod National Seashore proposal; the bill, to which I previously referred, to extend for 2 years Federal assistance in the construction and operation of schools in areas affected by Federal activities; a resolution calling on the United Nations to conduct free elections in the Baltic nations; and a resolution to name our Bedford Veterans' Administration Hospital in honor of the late beloved Congresswoman Edith Nourse Rogers.

Hearings before my Military Operations Subcommittee prompted me to draft H.R. 8404, which would allow a 50-percent tax writeoff on construction of home fallout shelters. The financial problems which may confront the 250,000 reservists who may be called to active duty inspired H.R. 8470, my bill to provide a moratorium on principal payments on federally insured or guaranteed mortgages for reservists and guardsmen called to active duty who are unable to make such payments while serving.

I was particularly pleased when, late in the session, my colleagues in the House joined in unanimous support of my resolution to place a bust of my distinguished colleague, the beloved former Speaker of the House, Joseph W. Martin, Jr., in the rotunda of the Old House Office Building.

HOMEWORK

There are many facets to the job of representing a district of 475,000 people. Fascinating and important as the legislative tasks are, I find that the efforts I am able to put forth to aid the Fifth District bring equal satisfaction.

Our district reflects the economic character of the entire Commonwealth of Massachusetts. We are heavily dependent upon industry. In recent years we have seen our traditional sources of employment drift to low-drift States. We have come out second-best in the textile import situation. We must seek remedies for these problems. I have taken the floor of the House to call for a commonsense approach to trade matters, so that the essentiality of our domestic textile industry and the plight of our own textile workers will be ignored no longer. I am actively working with a group of colleagues to find affirmative answers to the questions involved in retraining workers to acquire new employment skills. I have been gratified that some $250 million new defense contracts have come to our district since January.

Working closely with civic, business, and labor leaders, I sponsored a conference here in Washington last summer to bring together private citizens and top Government figures, experts in the fields of defense procurement, housing, area redevelopment, small business, and trade. From the generous comments I received from those who participated, it was a smashing success. Plans are already underway for a second conference in 1962.

A splendid example of appropriate Federal, State, local cooperation occurred when the tragic fire struck the town of Ayer in June. When I learned of the catastrophe, I arranged an emergency conference in Washington between Ayer officials, Governor Volpe, our two Massachusetts Senators, and representatives of Federal agencies which possibly could provide assistance. Ayer is getting back on its feet, primarily through its own inspiring initiative, with the proper encouragement of other levels of government.

Last June, I urged the Secretary of Health, Education, and Welfare to establish the Northeast Water Pollution Research Laboratory, authorized in the 1961 Water Pollution Act, in Lowell. We have the misfortune to have one of the Nation's most badly polluted rivers, the Merrimack, in our district. With our magnificent Lowell Technological Institute, and the facilities and resources of so many other outstanding universities and colleges within easy reach, Lowell provides an ideal and logical location for the facility. Senator Saltonstall has vigorously supported this effort since its inception and we were joined by Senator Ben Smith in a joint plea to Secretary Ribicoff in the closing days of the session. I have received word that the Department of Health, Education, and Welfare will call upon my office for assistance in arranging an inspection tour of the area.

Although the President's budget had called for a 1962 appropriation of but $500,000 for the Minuteman National Park in the heart of Middlesex County, it became apparent that an accelerated program of land acquisition would ultimately reduce overall costs because of the rapidly increasing land values in the area. With the vigorous support of Senator SALTONSTALL and Majority Leader JOHN MCCORMACK, we obtained congressional and Presidential approval of a 1962 budget for the park of $2.5 million. There is no doubt that this action will significantly hasten the completion of the park which will preserve for posterity the battlegrounds where our struggle for independence began.

One of the first tasks I undertook after taking office was a vigorous campaign to ease residual oil restrictions. Industrial expansion has been discouraged by the severe controls on residual imports; industrial fuel costs have soared. Residual oil costs skyrocketed by more than $118 million in 1 year alone because of Government-inflicted quotas. I have asked the Attorney General to determine if this quota system has not resulted in a Government-sponsored violation of antitrust laws. I have also urged the House Small Business Committee to consider the dilemma of New England residual oil users at the same time it investigates the problems facing domestic oil and coal producers.

One of the most enjoyable parts of my job is sitting down with the people I have the honor to represent in Washington. Nearly 2,000 folks from home stopped by my office in room 136 of the Old House Office Building during the session. It is always a pleasure to help arrange appointments if a constituent is in town on business with the Federal Government, or tours of our various historic shrines, if it is a pleasure trip.

In retrospect, the 1st session of the 87th Congress—in fact the entire year of 1961—was a critical period. Never before has there been such an urgent necessity for responsible Government. Convinced of the right of the people of my district to know firsthand of the issues that the Congress has considered and of the activities of the man they have chosen to represent them, I have prepared this report in recognition of my responsibility to them.

I earnestly hope that it will inspire an even greater interest in the business of government, for not without a lively, personal interest on the part of all our citizens in the conduct of public affairs, can we expect our freedom long to endure.

Prospects in Power

EXTENSION OF REMARKS
OF
HON. JOHN P. SAYLOR
OF PENNSYLVANIA
IN THE HOUSE OF REPRESENTATIVES
Wednesday, September 27, 1961

Mr. SAYLOR. Mr. Speaker, because the public power issue occupied so much time and attention on the part of both the House and Senate this year, it would seem appropriate that the final issue of the CONGRESSIONAL RECORD contain at least a brief review of developments that have occurred since adjournment. One of the most persistent phases of this controversy involved the proposal to erect

steam-generating facilities at the Hanford plutonium reactor.

The House successfully resisted efforts to force American taxpayers to contribute $95 million for construction of an 800,000-kilowatt powerplant at Hanford; not satisfied with this definitive decision against the Federal Government's further intrusion into the electric power field, Hanford proponents came back with a watered-down version that would have cost the U.S. Treasury a mere $58 million for a 400,000-kilowatt station. The House responded with an overwhelming 251 to 155 vote in opposition to this idea.

Under the circumstances, the average citizen might assume that public power addicts would be satisfied to permit Hanford to lie dormant for the remainder of the 87th Congress, if not for all time. Certainly the House left no doubt as to its opinion of the project. According to a published report, however, in some quarters there is reluctance to accept our decision.

Why the House should be suspect of caprice in this matter is not immediately definable. Perhaps proponents feel we can be persuaded to revise our appraisal on the theory that the U.S. Government is going to be in a position to venture out more recklessly with the taxpayers' contributions in the years immediately ahead. If such is the case, the basis for these hopes is not generally clear.

At the present time we must suffer through the largest debt in all history, with no relief anticipated. Interest alone amounts to approximately $10 billion a year. In the face of this gloomy picture, the heavily burdened taxpayer would logically expect responsible Government officials to make every effort to keep nonessential spending to a minimum. If, somewhere in the administration, a method of reducing military expenditures without jeopardizing the defense structure has been devised, the plan will unquestionably receive a unanimously enthusiastic welcome throughout our land. In no event, however, should any ensuing savings be invested in bureaucratic enterprises of the Hanford variety.

Mr. Speaker, any substantial reduction of expenses for military purposes is as improbable as the sudden conversion of Khrushchev to Christianity. We hope and pray for such a miracle, but we are too practical to expect it. The free nations of the world are in for a long struggle unless the tension explodes and envelops the world in another holocaust. Recognizing the severity of this struggle against the totalitarian plan for destruction of all governments outside the Red orbit, Congress and the executive department have a moral obligation to conduct the Nation's affairs in the most efficient manner possible and to eliminate all extravagances, particularly wherein issues are clearly divorced from the national security.

It was disturbing to read that one of the Senate sponsors of Hanford was quoted as saying he will "never give up" in his efforts to prevail upon Congress to establish the project to which the House has repeatedly objected. Now it becomes obvious that we who have joined together in blocking this wasteful bureaucratic creation must resign ourselves to the fact that we are likely to be exposed again to the same pressure to which we were subjected when the public power enthusiasts went to work on us last year. Unfortunately, much of the propaganda in favor of Hanford originates within Government departments and is, therefore, being subsidized by the taxpayer. One of these days Congress may finally have had its fill of these methods and refuse to appropriate funds that are, in effect, being used in an attempt to unbalance the balance of power which was established to guarantee this Nation's welfare and integrity. Meanwhile let us be prepared for another bureaucratic onset in 1962.

Two editorials which have appeared in newspapers published in the State of Washington in the past several weeks are highly relevant to the Hanford controversy. I ask unanimous consent that they be included in the RECORD at the conclusion of my remarks. The one published by the Centralia, Wash., Chronicle on September 13, which is a reprint of a Long View, Wash., Daily News, needs to be studied carefully in the light of statements made in the House and Senate with respect to the availability of coal in the Northwest. The distinguished gentleman from California [Mr. HOLIFIELD] on July 12 made this statement in the course of his remarks in favor of the Hanford powerplant:

> Mr. Speaker, at this point I would like to insert a statement on the relation of the Hanford reactor electric generating facilities and the development of coal resources in the Northwest. You will note that the Northwest uses very little coal, and the Hanford installation itself is the biggest user. In the future, the use of coal cannot support the major power requirements of the area.

Figures provided by the U.S. Geological Survey show Washington alone has in excess of 30 billion tons of recoverable coal reserves, which in the overall are but a small part of the generous supplies with which the United States has been blessed. Only last week the Associated Press reported that the Geological Survey's latest estimates place recoverable coal at 830 billion tons for the Nation as a whole. In addition to the vast storehouse in Washington itself, there are more than 100 billion tons of recoverable reserves in Montana, 46 billion tons in Utah, 60 billion tons in Wyoming, and 40 billion tons in Colorado.

The United Mine Workers of America have opposed Hanford with good cause. The president of district 10, with headquarters in Renton, Wash., issued public protests against a subsized powerplant that would take away from miners, railroad men, truckers, and employees of numerous allied industries the opportunity to earn a livelihood for their families. The editorial to which I refer definitely confirms the UMWA hopes for a better tomorrow through expansion of Washington coal industries.

I remind my colleagues that the coal industry of the Northwest would not be the exclusive loser to a subsidized Hanford powerplant. One of the avowed objectives of the Department of the Interior's grandiose scheme in supporting Hanford is the long-range power grid to carry electricity through a series of exchanges from the Pacific coast to the Mississippi valley. Thus Hanford constitutes a direct threat to coal producers in the Midwest. Furthermore, through the proposed intertie grid system, even the electric powerplants in my district could eventually be deprived of market outlets because of the allegedly harmless but admittedly extravagant Hanford plan.

The other editorial which I include herewith, from the Boise, Idaho, Statesman, presents a brief but concise summary of the philosophy of public versus private power. As stated, private industry has met every obligation for industrial power and has paid enormous Federal taxes that have been misused, in part, to create Federal competition through such facilities as are now envisioned for Hanford. The Duquesne Light Co. in Pittsburgh illustrated its advertisement in the Pittsburgh Post Gazette of October 3 with dramatic drawings of the extent to which America's investor-owned light and power companies have taken care of rising requirements and will handle whatever needs develop in the ensuing years. In 1930 there were 150,000 miles of transmission lines, a figure that rose to 364,000 miles in 1959 and will reach half a million miles by 1970. The electric companies will add more than $7 billion in transmission facilities in the present decade. This money will come from the voluntary investments of American citizens who believe in the free competitive economy that built this Nation to the greatest power on earth in less than 2 centuries. Bureaucratic intrusion is the surest way to throttle industry progress, destroy investor confidence, and dim America's outlook for the years ahead.

Mr. Speaker, I consider myself a sincere friend of the West. During the past several years I have received hundreds of letters from residents of communities from the Mississippi River to the Pacific Ocean commending me for my efforts to preserve the natural beauty of western areas threatened by unnecessary and devastating Federal wrecking projects. I have had scores of callers in my office who are in enthusiastic sympathy with my philosophy but would not want to be publicly identified with opposition to bureaucratic plans because of the fear of reprisal.

My first obligation is to the 22d District of Pennsylvania, but I shall always support legislation designed to benefit the national welfare. The proposed powerplant at Hanford would be unfair because it would directly subsidize competition for hard-pressed regions elsewhere in the country where new industry is badly needed but where no similar federally provided advantage of low-cost power prevails.

There are many other factors weighing against Hanford, Mr. Speaker. They were reflected in the several House votes during the session just closed and need not be repeated here. But it appears obvious that this file of objections

must be kept at hand and resubmitted for public display if the Hanford proposal is resurrected as indicated.

The newspaper editorials follow:

[From the Boise (Idaho) Statesman, Sept. 20, 1961]

PUBLIC POWER LIGHT DIMS

The refusal of the House of Representatives to approve a plutonium reactor at Hanford, Wash., to produce electricity has started a new line of protest from the public power proponents that is amusing. The Portland Oregonian views the Hanford refusal as evidence that Congress is opposed to growth in the Northwest. The Oregonian reasons that there "is abject fear that it (the Northwest) will take industries away from their districts and States." Continuing, the Oregonian says:

"If this be true (and how else can this vote be interpreted?) the Northwest may expect similar opposition to new Federal multipurpose projects including electricity (which repays its own cost and helps irrigation). It may expect congressional pressure to increase the Bonneville Power rate to further restrict industrial expansion. It may expect raiding of our power resources from other areas.

"Those who thought the Federal Government never should have started development of the Columbia Basin's resources—for flood control, navigation, irrigation, and power—evidently have gained some recruits in the House. The drive is to keep the Northwest in colonial status, a vacation land, a semi-wilderness, a place to visit but not to settle, a region unable to find enough jobs for its children."

The Oregonian offers new and different reasoning than any we have read before. Apparently it has been concluded in the Columbia Basin area that the Government is obligated to forever spend more and more millions of money provided by the entire Nation for the public power subsidy that is provided the Northwest. This is an unusual philosophy as is evidenced by the expression of opinion that "other areas fear industries will be taken from them and transplanted to the Northwest." The Portland area got most of its new industry in this manner. Its aluminum industry, which processes bauxite with federally subsidized public power, was and is a highly questionable arrangement. No one ever saw any bauxite produced in Oregon. It comes from Texas.

All of which is an excellent illustration of Federal largesse of huge proportions. Naturally the Oregonian is unhappy that the Federal Government isn't continuing to subsidize its area forever.

The Oregonian, in its protest over the Hanford situation, renders important illustrative service. Take Idaho, for example, the source of part of the water resource that makes Northwest power. Idaho fought tooth and nail and won the fight against the high Hells Canyon Dam. The promoters of this project assured everyone in sight that it had many benefits and no dangers. Protective legislative clauses were offered in the way of amendments to the bill that sounded as though Idaho would be protected.

The Portland complaint over a change in congressional attitude (Congress voted the money for the string of dams along the Columbia) makes quite plain the danger that exists in Federal encroachment in any area for the simple reason that Congress—the supreme power—can, and does, change its mind. The protective amendments in the high Hells Canyon legislation could have been repealed just as the Oregonian points out that Congress presently is opposed to expansion of the Federal Columbia power system.

In plainer words, what the Government gives, it may take away. And any area that runs the risk of resource involvement with the Federal Government, if it is at all possible to avoid it, only asks for inevitable disappointment. The sure way is the Idaho way—keep the Government off the river and let private enterprise assume the responsibility under State commission control.

Private industry has met every obligation for industrial power and has paid enormous Federal taxes that have been used, in part, to build the Bonneville and the John Days and the McNary Dams. Never have these dams brought the Northwest a stable economy. And they never will for the simple reason that Congress, the representation of all the States, just can't keep on doling money out to support two isolated areas—the Northwest and the Tennessee Valley Authority. It is not the American system to make residents of roughly 45 of our States the underwriters of cheap power in the other 5. Oregon wouldn't want to help any other State in the same manner that she has received Federal assistance. And Oregon does not hesitate to see spooks under the public power table now that Congress has decided it can no longer provide larger bait through cheap power for the Northwest area.

Should the Hanford situation mark the end of one of the really raw giveaways by Federal Government, the Nation may breathe a sigh of relief. While the Oregonian calls the Hanford House vote "the most cold-blooded expression of this intention yet to be publicly displayed," we view it in another light. It is the signal of a welcome new day.

"What will the Northwest do about it," the Oregonian asks. A Federal corporation to absorb Bonneville with bonding powers to finance projects Congress refuses to vote?

That's not the answer.

Oregon, and the State of Washington as well, ought to quit smoking the public power opium and get back to the old days of sound business without dependence on the Federal Treasury. In addition to the stability the private enterprise tradition provides, there is the pride of self-accomplishment. Idaho, without Federal power aid or threats, sets a fine neighborly example.

[From the Centralia (Wash.) Chronicle, Sept. 13, 1961]

FUTURE OF COAL

Could it be that Washington State might some day become a major coal-producing region of the Nation? It is a possibility, as well as a distinct probability.

At the present time an estimated 64 trillion tons of bituminuous coal lies practically untouched in areas where it is impracticable to mine by orthodox methods. Much of it is buried in hard rock in hills from 5 to 95 percent off horizontal. The uncovered coal in Washington, according to estimates, amounts to 465,000 times more than in our neighboring State of Oregon.

The Bureau of Mines is now preparing to set up an experimental project at Roslyn, near Cle Elum, at mine No. 9 of the Northern Pacific Railroad, by an installation of special equipment to determine if these vast resources of coal can be tapped by hydraulic mining instead of the methods employed on the east coast. Water pressure at 4,500 pounds per square inch would cut away the coal from the solid mass. Hydraulic mining on the surface is not new, but this will be the first attempt to employ it in uncovering underground coal beds.

The Japanese are now buying large amounts of American coking coal, which comes out of the Eastern mines, involving not only expensive methods of extraction, but also a long, expensive haul. If the Roslyn experiment is successful we will not only have the opportunity of supplying this rapidly increasing demand, but we will have the added advantage of abundant water for hydraulic mining but close proximity of ports for shipping overseas. As the economy of the West expands there will be added markets on our own shores.

Presently Washington State's coal-mining industry is almost nonexistent, with the State ranking only 35th in all phases of mining.

Southwest Washington should keep an eye on this experiment. Many of the oldtimers of Cowlitz County remember that in the early 1920's substantial amounts of coal were used in home furnaces. Rock Springs coal, from Wyoming, competed with Chehalis coal mined only a few miles away.

While such a development of this kind might not be right around the corner, it could be before we realize it and give us something other than the major industries, involving forest products, to sustain our economy and push it ahead.

We have a huge ace in the deck here in Longview, too, in that we are ideally equipped to handle large exports of all kinds to every area of the Pacific.

Goal of the New Frontier: New Civil Defense Program

EXTENSION OF REMARKS

OF

HON. CHET HOLIFIELD

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 27, 1961

Mr. HOLIFIELD. Mr. Speaker, the course of civil defense in the United States has taken a dramatic new turn within the past few months. Since May 1961 these events have occurred:

First. The President personally has addressed the Congress and the American people on the vital importance of civil defense as national "insurance."

Second. The Department of Defense has been made responsible for carrying out major civil defense functions, including shelter protection, vested in the President by law and policy.

Third. The Office of Civil and Defense Mobilization is being reconstituted as the Office of Emergency Planning to assist and advise the President in exercising his civil defense and mobilization planning responsibilities.

Fourth. The Congress, responding to the President's call for a stepped-up civil defense program, has appropriated funds for shelter and other civil defense purposes four times as great as those appropriated in fiscal year 1960.

Fifth. Civil defense authorities in the Department of Defense have taken the first steps in a national program to identify, mark, improve, and equip existing structures in the United States for shelter against fallout hazards.

Sixth. Among the citizenry there has been a quick upsurge of interest in civil defense which appears to be more substantial and enduring than at any time in the past.

In sum, America is coming of age in the thermonuclear age.

We find it heartening and fortunate that the President recognizes the vital importance of an effective civil defense. His personal messages to the Congress and to the American people have banished, almost overnight, a great deal of

public apathy and indifference. We have always believed that if the President, as the Chief Executive and the Commander in Chief, would speak out clearly on the subject and show that the Federal Government itself takes civil defense seriously, the people also would be convinced. They would be more willing to help themselves and support the national effort. Public apathy, in the final analysis, is merely a reflection of official apathy.

In what manner does the new civil defense shelter program announced by President Kennedy differ from that of the preceding administration There is no radical departure in civil defense doctrine or concept but a decided shift in coverage, agency jurisdiction, magnitude of funding, and degree of Federal participation.

The new program emphasizes the largest number of shelters to be obtained in the quickest time at the least cost. Consequently, it is directed to finding suitable fallout shelter space in existing structures, making improvements where appropriate, and stocking the shelters with emergency supplies. Federal funds will be spent for these purposes. In this sense it is a public shelter program, although privately owned as well as public buildings will be surveyed, marked, and equipped.

In summary, the major differences characterizing the new shelter program are reflected in the decisions, first, to assign fallout shelter functions to the Department of Defense; second, to embark upon a nationwide Federal program of identifying and marking available community shelter space in existing buildings throughout the United States; third, to stock these shelter spaces with federally procured emergency rations, water, and monitoring and other equipment; and fourth, to undertake some limited improvements, starting with existing Federal structures, to expand the occupancy potentials.

Thus the Federal Government is prepared to spend more money and do more things for civil defense preparation than has been done before.

In the 11 years, 1951 through 1961, actual Federal expenditures for civil defense aggregated $532 million. The appropriations for fiscal year 1962 include $206.7 million to the Department of Defense, $86.5 million to the Office of Emergency Planning, and $13 million to the Department of Health, Education, and Welfare for procurement of medical supplies associated with the emergency hospital program.

These funds, totaling $306 million for fiscal year 1962, represent 58 percent of the total outlay for the past 11 years. There is no doubt that the civil defense program has been stepped up.

The shelter survey and marking program is scheduled for completion by the end of December 1962. Stockage of shelter spaces will be completed the following year, although shelter spaces will be equipped as they are identified.

Under my direction, the Military Operations Subcommittee of the House Committee on Government Operations prepared a comprehensive report on the new civil defense program. See House Report No. 1249, 87th Congress, 1st session. The report stresses the need for an optimum shelter program, and the national shelter survey should provide important data for the development of such a program. Construction of shelters in schools and other suitably located places will be necessary to supplement the fallout shelter spaces in existing buildings.

Our report includes a special note of warning to the American people:

Avoid fly-by-night operators with shelter-building schemes and would-be sellers of expensive or useless gadgets and devices under the label of civil defense.

Be wary of false advertising of merchandise or services, including insurance policies, which are offered as civil defense protection.

Do not sign a contract for construction of a home shelter until you have consulted civil defense officials in your city, or other government unit, and have received reliable information on requirements and cost estimates.

Be sure that what you buy for individual or family civil defense needs is really essential and meets the necessary standards of performance.

People's Capitalism—A World Lenin Never Knew

EXTENSION OF REMARKS
OF
HON. ROBERT F. ELLSWORTH
OF KANSAS
IN THE HOUSE OF REPRESENTATIVES
Wednesday, September 27, 1961

Mr. ELLSWORTH. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following article by Nate White, which appeared in a recent issue of the Christian Science Monitor. I found it extremely interesting and worthwhile and consequently take pleasure in calling it to the attention of my colleagues:

TREND OF THE ECONOMY: PEOPLE'S CAPITALISM—A WORLD LENIN NEVER KNEW

(By Nate White)

BOSTON.—Karl Marx could not recognize today's capitalism, and it would be difficult for Nikolai Lenin to understand the enormous changes which have taken place in capitalism since his passing in 1924.

It is doubtful if the Kremlin propagandists today understand modern capitalism. They continue to lash out at 19th-century types of capitalism, as though they were existent today. Today's capitalism is as different from that of the 19th century or the early 20th as are Marx's theories in the light of today's state capitalism of the Soviet Union.

Marx and the Kremlin propogandists are out of date, and the present Soviet discussion of capitalism reflects obsolescence in the economic considerations of the Soviet system.

Undiluted Marxism is nonexistent in the Soviet Union today. The U.S.S.R. of Nikita S. Khrushchev, with its incentives, its pay scales, its private privileges, its speed-up program, its unsanitary conditions, its bottlenecks, its sweatshops, its lack of safety devices for workers, more nearly resembles the capitalism of the late 19th century which Marx assailed, and of the early 20th, which Lenin attacked, than anything else.

Meanwhile, Western capitalism itself has become socialist in its trend.

Capitalism, whether it is the Soviet brand, or the Western brand, is still the utilization of capital for economic development and profit.

Today's capitalists in the West, however, are men and women who act as stewards in the administration and use of other people's moneys. Large corporations, owned by thousands of stockholders, are enormous publicly owned, semiprivately operated collectives under the managerial tutelage of carefully chosen stewards.

These corporations in the past 30 years, under community social pressures, under Government compulsion, and under union pressure have moved into a socialized form of capitalism which outperforms and outdoes the fondest dreams of Marx and Lenin.

These corporations today follow a comfort pattern in their labor contracts. They seem to be in competition to see which one can outdo the other in arranging new deals for their workers. More and more the workers express their will in the minutiae of plant operations.

American capitalism, as well as French, British, and German capitalism, is laboristic in tendencies and trends. A large mixture of State investment in research and operations, in State control, State regulation, State inspection, State policies on the labor force have so changed the fundamental capitalistic system of the days of Marx and Lenin that today they would probably like to take credit for the change, if they were here.

Private capitalism, in other words, has moved to such a degree toward semipublic ownership and control, with labor unions in many instances exercising major control through their own ownership of the shares of corporations, that it can today correctly be called a people's capitalism.

It is still capitalism. There must be money to invest. There must be profits. There must be good management. There must be initiative. There must be competition. And, of course, many small industries, stores, shops, and services exist which are more purely private than the largest corporations.

In addition to the semiprivate corporations, the socialized people's capital projects, there are, of course, outright examples of State capitalism in all of the so-called capitalist countries.

State capitalism in the United States is a fact of daily experience, even as it is in many countries of Western Europe. Government investment in rocketry, space research, and exploration is outright State capitalism. The enormous Government laboratory for space research to be built, at a cost of $60 million in Houston is a new case in point.

The Rand Corp. has long been a Government-operated and capitalized enterprise. Other instances, most of them stemming from national security needs, could be cited.

The Tennessee Valley Authority is the one most often mentioned, but, of course, there are many others.

Even the special authorities—such as the New York Port Authority, the Massachusetts Turnpike Authority, the Triborough Bridge Authority, and so on, are semipublic corporations, operating in the tradition of private capitalism, although they are actually, in their ultimate analysis, examples of State capitalism.

Thus the Marxists and Leninists of the Kremlin, those who lash out with typical ignorance and Communist invective, are so naive and obsolescent in their knowledge and awareness of the massive changes in Western capitalism they stand exposed.

France, for instance, is deeply committed to state capitalism. Its Renault works, its oil industry, and many others find the state

the largest shareholder. Italy is committed to state capitalism in many instances.

The United States is not a socialist state in the pure sense. Yet it is progressively exhibiting large tendencies in this direction. Its big corporations, owned as they are by thousands of individuals, by shareholder labor unions, religious and fraternal organizations, can even be classified as semipublic enterprises.

These corporations' enormous commitment to the Federal, State, and local tax systems indicate a kind of evolving capitalism. It is genuinely more correctly described as stewardship capitalism, people's capitalism, or public capitalism.

The term "people's capitalism" came into currency first during the New Deal of Franklin D. Roosevelt. It was picked up after World War II by the Advertising Council, the New York Stock Exchange, and others to indicate the kind of capitalism which was developing in the United States.

If the people of the developing nations of the world could grasp what a people's capitalism actually is they would be for it, and no amount of Communist propaganda could turn them aside from their desire to develop it for themselves.

People's capitalism is the utilization of the resources of a nation, both publicly owned and privately owned, for the economic development of all the people.

In international economic development, the great financial institutions, operated in the world interest in the manner of private capitalism, although they are semipublic, are examples of stewardship capitalism or people's capitalism. There is the International Bank for Reconstruction and Development, for instance, the World Bank, the International Finance Corporation, the International Development Administration, the Bank for International Settlements, the Export-Import Bank, etc., to name only a few.

In his address at Vienna before the Board of Governors of the International Monetary Fund (another semipublic form of stewardship capitalism) Robert L. Garner, the distinguished IFC president, who retires from the post October 15, made the point that IFC could assist in spreading share ownership in the developing countries—in other words expand people's capitalism privately.

"The ability to draw capital from large numbers of people is a necessary element for sustained growth of modern business. It is the basis of people's capitalism," Mr. Garner commented.

Mr. Garner elaborated the points that state bureaucracies—such as those which operate in the Soviet Union—can stifle initiative and enterprise. In a sense he was warning the world to beware of an overdevelopment of state capitalism. If the initiative must be governments, because of the large demands for capital today, then let the development be in the manner of private capitalism, he reasoned. In this way the best of private capitalism—its initiative, its drive, its decisionmaking process, its concern for careful stewardship—is maintained.

In operating the IFC, Mr. Garner managed it as a private business. His "main consideration," he told the IMF, "was my interest in private business and my conviction that it can be the most dynamic force to bring widespread material progress to more people."

Mr. Garner warned the world that "the institution of private enterprise is under deadly attack, not only from avowed communism, but from advocates of all degrees of socialism and state control. Their propaganda is clever, organized, and persistent. * * * Unless (business) awakes to the present danger and determines to pay the price and make the fight to preserve and expand its system, its productive contribution may be lost to the world, and bring about total change in our society."

The Garner valedictory address is well worth the close study of business and government leaders in all countries. It is available from the IFC, 1818 H Street NW., Washington 25, D.C.

Mr. Garner fully recognized that "no nation can today walk alone; and that for the first time those countries which have achieved a more abundant life have accepted responsibility to assist their poorer neighbors to improve their lot."

But he called for an "honest facing of the facts," especially in the poorer countries.

It is not geography or a lack of natural resources which hold nations back, he said, nor is it a lack of capital. South America and Africa, for instance, are lands richer in natural resources than North America or continental Europe, yet they contain backward economies. They also contain hidden resources of capital, selfishly hoarded and concealed.

"I am forced to the conclusion," Mr. Garner observed, "that economic development or lack of it is primarily due to the differences in people—in their attitudes, customs, traditions, and the consequent differences in their political, social, and religious institutions.

"Therefore, if the countries which are lagging are to join in the procession of economic progress their people must change some of their thinking and some of their methods. This is the stubborn core of the problem, the most important factor regulating the pace of growth—how fast will people adapt. A bulldozer can move most things, but not ideas and habits."

Mr. Garner differed with the advocates of the "ultimate welfare state, who propose that government (which likewise they intend to control) take the maximum amount from all who work and who own property and spread it around as they deem most fitting."

In a recent thoughtful discussion of present-day capitalism, presented before the International Industrial Conference in San Francisco, P. F. S. Otten, president of the board of directors of Philips Industries, Eindhoven, the Netherlands, discussed "a new form of capitalism" which he termed "social capitalism."

"It is true," Mr. Otten noted, "that present-day capitalism is becoming more and more conscious of its responsibilities toward the interests of the community, not because of soft-heartedness or unrealistic ethics but on account of the realization that in the long run no member of any community can evade those responsibilities without placing himself outside that community.

"It is coming to be realized that the ruthless exploitation which—as we now acknowledge—was practiced in many cases by the earlier capitalism, and which was perhaps inherent in the industrial revolution and the subsequent industrial "sturm und drang" period, has proved—like all ruthless exploitation—to lead to suicide both from the aspect of business economics and from that of social economics. No longer is it the pursuit of maximum profit that governs our actions; it is the pursuit of continuity."

In another analysis of the changes going on in capitalism, Dr. Paolo N. Rogers, foreign relations director of the Olivetti Co. of Italy, told the San Francisco group that "the private sector has contributed to the economies of developing countries in a measure and to an extent much larger than is generally known." Citing a report of the OEEC (Organization for European Economic Cooperation), Dr. Rogers compared the public and private contributions of the West to the developing countries as compared to the contributions of the Soviet bloc.

These figures are quite illuminating.

Year by year, the Western public contribution was: 1956, $3,200 million; 1957, $3,700 million; 1958, $4,300 million; 1959, $4,500 million, for a total in the 4 years of $15,900 million.

In addition to the public contribution from the West, was the enormous private contribution. In total—public and private—these were as follows: 1956, $6,200 million; 1957, $7,400 million; 1958, $7,300 million; and in 1959, $6,900 million, for a total Western 4-year contribution of almost $28 billion. Percentages for the Western (public and private) are: 1956, 48 percent; 1957, 50 percent; 1958, 40 percent; 1959, 35 percent.

The comparable Soviet bloc contribution was: 1956, $608 million; 1957, $227 million; 1958, $556 million; 1959, $894 million, for a 4-year total of $2,300 million.

Dr. Rogers then showed the breakdown of the contributions of the various sectors of the world in the economic development of the developing countries, the private capital sector, the public capital sector, and the Communist or Soviet bloc sector. These percentages are worth noting, especially in terms of Communist propaganda blasts against capitalism.

It can be seen that the new capitalism of the world is so far outshining and outperforming the Communist types that it is no wonder the Kremlin propagandists try to deceive the world.

Their blasts, fortunately, are so out of date and so obsolescent that both Marx and Lenin, and perhaps even Stalin, would be ashamed of their naivete. The developing nations of the world are progressively being made aware of the Communist falsification.

Here are the percentages as presented by Dr. Rogers:

	Percent
1956	
Western private sector	44
Western public sector	47
Soviet bloc	9
1957	
Western private sector	48
Western public sector	49
Soviet bloc	3
1958	
Western private sector	37
Western public sector	56
Soviet bloc	7
1959	
Western private sector	31
Western public sector	58
Soviet bloc	11

Modern capitalism, in other words, has nothing to be defensive about. It has nothing of which to be ashamed. It has nothing in other words, which the Communists can even pretend to equal, much less attack.

Stewardship capitalism, people's capitalism, social capitalism, by whatever name you wish to call it, is concerned today with developing people everywhere who love freedom.

This is a far cry from the capitalism of the Industrial Revolution which gave Marx the material for his writings. If Karl Marx were here today he would be a present-day social capitalist, chairman of the board, probably, and Nikolai Lenin would be his executive vice president.

Report on Accomplishments of 87th Congress

EXTENSION OF REMARKS

OF

HON. ESTES KEFAUVER

OF TENNESSEE

IN THE SENATE OF THE UNITED STATES

Wednesday, September 27, 1961

Mr. KEFAUVER. Mr. President, this 1st session of the 87th Congress has been

the busiest that I can remember since World War II days. And it has also been one, I believe, of great accomplishment.

Strides have been made in almost every field, domestic as well as foreign. With a recession dogging us, more surplus food was made available to the needy and employment benefits were expanded. To get people working again, we put the Interstate Highway program back on schedule and started things moving in the airport construction and housing fields. And we began an area redevelopment program—a program that offers a lot of hope to idle people in both rural and urban areas of Tennessee.

We made the greatest improvement in the minimum wage law since its original passage under Franklin D. Roosevelt. Social security was liberalized. We enabled some 5,000 communities to begin ridding their lakes and streams of pollution.

We enacted legislation to step up the war against interstate crime, gambling, and racketeering—bills that were originally recommended by the Senate Crime Committee, of which I was chairman, back in the early 1950's, and that were pressed for this year by our Attorney General, Mr. Robert Kennedy.

In defense and foreign affairs, this Congress has cooperated fully with the President. Our Military Establishment was greatly strengthened. We took steps to catch up in the space race. And perhaps most important, we enacted a more effective foreign-aid program and established a permanent Peace Corps—the most imaginative and potentially the greatest contribution to world peace in years.

My deepest regret is that the House did not join the Senate in passing a full Federal-aid-to-education program, and that no program of medical and hospital care for the elderly has yet been enacted. But I am hopeful that we shall provide funds for school construction and increased teachers' salaries, as well as enacting a sound program of medical care for our older people, after the Congress returns in January.

Mr. President, I have prepared a topical résumé of the major legislative action taken in the 1st session of the 87th Congress, based on a compilation by the Senate Democratic Policy Committee. Bills passed by both Houses and signed by the President are designated by their Public Law number; those which passed the Senate but have not yet cleared the full Congress are designated by their Senate bill number.

This résumé is as follows:

ECONOMIC AREA—AGRICULTURE

Omnibus farm bill: Enacted a major farm bill to reduce wheat and feed grain surpluses; authorized Secretary to consult with farmers, farm organizations, and other groups to develop new farm programs; extended the Agricultural Trade and Development Act to December 31, 1964; consolidated and modernized the Farmers Home Administration; extended the Wool Act for 4 years to March 31, 1965; extended Great Plains conservation program to December 31, 1971; authorized a 5-year extension of the school milk program to be paid by direct appropriations; and extended the Veterans' Administration and armed services milk program to 1964, with CCC furnishing the funds—Public Law 87–128.

Feed grains: Authorized a 1-year emergency price support for the 1961 crop of corn at $1.20 a bushel, with the other feed grains to be supported at fair and reasonable levels in relation to corn, in an effort to raise the incomes of feed grain producers and to reduce the mounting surpluses of feed grains in Government hands—Public Law 87–5.

Drought relief: Enacted a temporary 1-year program authorizing the sale of Government surplus corn and feed grains to needy farmers and ranchers in drought areas at 75 percent of Government price-support levels and permitting grazing of livestock on grasslands idled by the soil bank and other conservation programs or moving hay on these lands in or near drought areas—Public Law 87–127.

Farm loans: Increased proportion of appropriated farm loan funds available for individual farms with debt over $10,000 from 10 percent to 25 percent to help meet the rapid and increased cost of farming—Public Law 87–8.

Mexican farm labor: Extended and revised the Mexican farm labor program for 2 years, to December 31, 1963; prohibited infringement upon the rights of domestic workers—Public Law 87–345.

Cotton farmers' relief: Authorized emergency relief to cotton farmers where floods have made it impossible to plant—Public Law 87–37.

Farm credit: Liberalized farm credit laws to: permit installment payments on Federal land bank loans to be scheduled more frequently than semiannually if desirable to the borrower; permit Federal land bank loans to be made to corporations set up by farming families—now restricted to persons—extend from 5 to 7 years the permissible maturity of intermediate term loans; require in applying the earnings at the end of each fiscal year that one-half of 1 percent of the loans outstanding be held in reserve up to the accumulation of 3½ percent of the outstanding loans—Public Law 87–343.

GENERAL ECONOMY

Federal unemployment compensation: Authorized Federal advances to permit the States to extend unemployment benefits up to an additional 13 weeks for workers who have exhausted their regular benefits during the recession, thus providing an unemployed worker with benefits up to a total of 39 weeks in an effort to ease the unemployment problem throughout the country—Public Law 87–62.

Aid to dependent children: Authorized a 14-month program, from May 1, 1961, through June 1962, of aid to dependent children, permitting States to aid needy unemployed parents and their children who are not now eligible for aid in which the Federal Government participates; and increased by $3 the minimum amount to which the Federal Government will participate on a matching basis in State programs carrying out the special medical care provision for recipients of old age assistance—Public Law 87–31.

Railroad unemployment compensation: Approved benefits of a similar nature for unemployed railroad workers under the Railroad Unemployment Insurance Act—Public Law 87–7.

Railroad retirees: To bring the railroad retirees in line with the beneficiaries of social security, this amendment to the Railroad Retirement Act permits men without 30 years service to receive reduced annuities upon reaching age 62; and reduced from 3 to 1 year the required time which must elapse after marriage before a wife or husband, otherwise qualified, may receive the annuity—Public Law 87–285.

Minimum wage: Increased minimum wage to $1.25 (from $1) and extended coverage to 3.6 million additional workers—Public Law 87–30.

Area redevelopment: Established the Area Redevelopment Administration in the Department of Commerce, and authorized a 4-year program of $300 million in loans and $94 million in grants for industrial plants and public facilities in economically distressed areas—Public Law 87–27.

Social security: Increased minimum old age insurance benefits and benefits to widows under the Social Security Act; provided reduced benefits to men at 62; liberalized disability provisions; increased tax for workers and employers by one-eighth of 1 percent; increased (for 1 year) the amount of public assistance payments for old age assistance, aid to the blind, and aid to the permanently and totally disabled—Public Law 87–64.

Manpower Training Act of 1961: Authorizes a 4-year, $655 million manpower training program to help alleviate the unemployment problems by enabling workers whose skills are obsolete to receive training which will qualify them to obtain and hold jobs, with priority to unemployed persons including those in farm families with a net income of less than $1,200 a year. (S. 1991.)

Housing Act of 1961: Enacted a housing program, authorizing $4.9 billion in new funds. The act provides for a new 2-year experimental plan of low-interest rate, 35-year mortgage loans for middle-income housing (except in hardship cases the mortgages may be extended to 40 years); requires a 3-percent downpayment on low-income housing, with a permissive inclusion of settlement costs; authorizes $75 million for mass transportation systems, and $50 million for "open space" grants; and includes a reauthorization of approximately 100,000 public housing units—Public Law 87–70.

FHA: Increased by $1 billion the mortgage insurance authorization of FHA—Public Law 87–38.

Veterans' home loans: Extended direct and guaranteed home-loan programs for World War II veterans to July 26, 1967; and for Korean conflict veterans to February 1, 1975; authorized an additional $1.2 billion for direct loan program through fiscal 1967—Public Law 87–84.

Federal Aid Highway Act: Enacted the Federal Aid Highway Act of 1961, revising the original estimated authorization for 41,000-mile, 13-year program of interstate highways by increasing the Federal Government's share from $25 billion to $37 billion; extended for 2 years the incentive bonus for States to enter into agreements for billboard controls—Public Law 87–61.

Federal Airport Act extension: Extended the Federal Airport Act for 3 years to June 30, 1964, and authorized a total appropriation of $225 million, or $75 million annually—Public Law 87–255.

Small business loans: Increased by $20 million the amount that the Small Business Administration may commit for loans under their regular business loan program, which will enable SBA to continue its loan program without interruption for approximately 1 month—Public Law 87–198.

Small business amendments: Increased SBA's revolving fund by $105 million which, in addition to the $20 million approved in Public Law 87–198, increases the total SBA revolving fund to $1,125 million—Public Law 87–305.

Small Business Investment Act: Increased limit on amounts Small Business Administration may lend small business investment corporations and on latters' investments in individual enterprises—Public Law 87–341.

ICC loans: Extended for 27 months (to June 30, 1963) authority of Interstate Commerce Commission to make loans to help ease the credit difficulties of railroads—Public Law 87–16

Small towns and rural counties: Established a 20-member bipartisan Commission on Problems of Small Towns and Rural

Counties to study and investigate Federal policies and programs relating to the economic needs and problems of these areas (S. 1869.)

Water pollution control: Authorized an additional $270 million to help communities construct sewage treatment plants to control water pollution, thus raising the annual limit on grants from $50 million yearly to $80 million for fiscal 1962, $90 million for fiscal 1963, $100 million for fiscal 1964, through and including 1967. In addition, this measure increased from $3 to $5 million the annual Federal matching grants to States to administer water pollution control programs and extended the program through June 30, 1968, and authorized $5 million a year for the Secretary to use to develop demonstration program to treat sewage, to measure pollutants, and to evaluate the effects of sewage treatment—Public Law 87–88.

Lead-zinc subsidy: Aided the domestic lead-zinc industry by authorizing a 4-year program of stabilization payments for small mineowners—75 percent for lead and 55 percent for zinc of the difference between 14½ cents a pound and the market price whenever the market falls below 14½ cents—Public Law 87–347.

TRADE AND COMMUNICATIONS ECONOMY

Broadcasting: Liberalized antitrust law to validate certain contracts for television broadcasting of professional sports games—Public Law 87–331.

Civil antitrust investigations: Authorized the Attorney General to compel the production of documents required as evidence in civil antitrust investigations—S. 167.

AEC sales: Accelerated property sales to stimulate the economic growth of atomic energy communities—Public Law 87–174.

Metal scrap: Extended to June 30, 1962, the existing suspension of import duties on metal scrap—Public Law 87–110.

Corporate excise extension: Extended for an additional year the existing 52 percent corporate income tax rate, excise tax rates on automobiles, liquor, and tobacco, and taxes on local telephone calls and passenger transportation, thus preventing a loss of revenue of some $2.5 billion—Public Law 87–72.

Clay and shale—tax treatment: Permits miners of clay and shale to include as a depletion allowance the process of manufacturing brick and tile—Public Law 87–312.

Income-tax returns: Curbed tax evasion by assigning identifying numbers to all taxpayers—Public Law 87–397.

Unemployment tax credits: Prevented double taxation in the case of Federal and State unemployment taxes arising as a result of a technical deficiency in the Federal tax law—Public Law 87–321.

Federal savings and loan: Strengthened the Federal Home Loan Bank Act and the National Housing Act by increasing the reserves and cutting the overcapitalization of the Federal Savings and Loan Insurance Corporation created as a reserve credit facility for savings and home mortgage credit institutions—Public Law 87–210.

VETERANS' AID

Disabled veterans' compensation increase: Provided increases in rates of service-connected disability compensation (to reflect cost-of-living increases since last compensation raise in 1957) ranging from 2.6 to 16.7 percent, depending upon degree of disability; restores for 2 years after January 1, 1962, the eligibility of veterans who served between October 8, 1940, and April 24, 1951, to apply for national service life insurance. (H.R. 879.)

Veterans' widows: Increased payments to veterans' widows. (Public Law 87–268.)

INTERNATIONAL AREA

Foreign assistance authorization: Authorized a total appropriation of $4,253,500,000 for fiscal 1962; a long-term (5-year) Development Loan Fund program authorizing an appropriation of $1.2 billion for fiscal 1962 and $1.5 billion for each fiscal year from 1963 to 1966; and established a new foreign aid agency. (Public Law 87–195.)

Latin American aid: Appropriated $600 million for Latin-American aid program, which includes $100 million in disaster relief for Chile, $394 million for loans by the Inter-American Development Bank, $6 million for social and economic programs of the Organization of American States, and $100 million for loans and grants by the International Cooperation Administration—Public Law 87–41.

OECD: Ratified the creation of the Organization for Economic Cooperation and Development consisting of 18 European member nations, the United States, and Canada, to promote economic stability and an orderly growth of the economies of the member states.

OECD—Permanent representation: Authorized the President to appoint, subject to Senate confirmation, a permanent representative of the United States to the Organization for Economic Cooperation and Development, and provided for the cost of U.S. participation in OECD including salaries of the American representative and his staff. U.S. share is 25 percent of the OECD budget which will run to about $5 million annually. (S. 2423.)

Battle Act revision: Strengthen U.S. policy abroad by authorizing the President to permit economic aid to Iron Curtain countries, except the Soviet Union and Communist-held areas of the Far East, when he considers it important to U.S. security. (S. 1215.)

Peace Corps: Carried out the President's recommendation to establish a Peace Corps of American volunteers to carry America's skills and talents and idealism abroad to help other peoples to help themselves. The Peace Corps is designed to provide the framework through which America's idealism, her humanitarianism, and her generosity can find a personal expression in the task of helping to build with our own hands a better world for our mankind—Public Law 87–293.

Disarmament: Established a U.S. Arms Control and Disarmament Agency to deal with the problem of reduction and control of armaments looking toward ultimate world disarmament—Public Law 87–297.

Surplus as aid: Authorized disposal of additional $2 billion in surplus commodities under the Agricultural Trade Development and Assistance Act—Public Law 87–27.

Agricultural aid: Authorized the administration to continue and expand the use of our agricultural abundance in helping needy people in the less-developed countries through development programs under title II of Public Law 480, Agricultural Trade Development Act—Public Law 87–92.

Alien Orphan Adoption Act: Made permanent and expanded the Alien Orphan Adoption Act which permits orphans adopted or to be adopted by U.S. citizens to enter the country on nonquota visas—Public Law 87–301.

Caribbean Organization: Authorized the President to accept on behalf of the United States the agreement establishing the Caribbean Organization; the participation of Puerto Rico and the Virgin Islands in the Organization; made available to the Organization the privileges, exemptions, and immunities conferred by the International Organizations Immunities Act; and authorized the Secretary of State to appoint a U.S. observer to the Organization. Organization is to concern itself with social, cultural, and economic matters of common interest to the Caribbean area—Public Law 87–73.

Fulbright Act: Authorized legally classified American nationals to qualify and receive financial assistance under the Fulbright Act for advanced education abroad—Public Law 87–153.

U.S. food reserve: Expressed an interest in exploring with other nations the possibility of establishing an international food and raw materials reserve under the United Nations and related international organizations to acquire and store in appropriate countries raw or processed farm products and other raw materials exclusive of minerals.

Export-Import Bank: Authorized Export-Import Bank to guarantee and insure U.S. exporters and importers against political and credit risks of loss in foreign countries—Public Law 87–311.

Red China: Expressed as the sense of the Congress that:

First. The United States should continue to support the Government of the Republic of China as the representative of China in the United Nations.

Second. The United States shall continue to oppose seating of the Chinese Communist regime in the U.N. so long as that regime persists in defying the principles of the U.N. Charter; and

Third. The American people support the President in not according diplomatic recognition to the Chinese Communist regime.

International Finance Corporation amendment: Amended the charter of the IFC to allow purchase of capital stock to encourage private investment in underdeveloped countries by creating a wider flexibility of financing to meet the varying needs of private enterprise—Public Law 87–185.

Mercy fleet: Supported the establishment by the President of a White Fleet—a force of mercy ships to assist in disaster areas in any coastal region of the world, as well as to carry on a regular program of logistics support in the public health field and other works of technical assistance.

NATO: Extended through June 30, 1962, the life of the U.S. Citizens Commission on NATO, a commission established to explore means of increasing cooperation and unity of purpose among NATO countries—Public Law 87–116.

United States-France: Provided immediate effectiveness for atomic cooperation for mutual defense purposes between the United States and France—Public Law 87–363.

Loans to friendly nations: Authorizes loan of naval vessels to certain friendly nations—Public Law 87–387.

DEFENSE AND SPACE EXPLORATION AREAS

Ready Reserves: Granted authority, requested by the President, to call to active duty up to 250,000 ready reservists, authority to continue until July 1, 1962; and to grant discretionary authority to the Secretary of Defense to extend enlistments, appointments, and other service obligations up to 12 months, which would otherwise expire on July 1, 1962—Public Law 87–117.

Military procurement: Authorized $12.4 billion procurement program for aircraft, missiles, and naval vessels for fiscal 1962—Public Law 87–53.

Military: Clarified the reemployment provisions of the Universal Military Training and Service Act—Public Law 87–391.

Additional military procurement authorizations: As requested by the President, authorized additional funds to provide for additional equipment primarily to improve the nonnuclear defense capabilities of our ground forces and of the Navy and Air Force; to provide increased air and sea lift; and to expand our antisubmarine warfare program. The overall request for additional authorization for procurement of weapons, equipment, and ammunition was $1,753 million; however, of this amount, additional authorizations are required only for $958,570,000—Public Law 87–118.

Military construction: Authorizes $831 million for construction and improvement projects at military bases at home and

abroad, including missile sites and nuclear submarine bases—Public Law 87–57.

Aeronautics and Space Council: Reactivated and strengthened the usefulness of the Aeronautics and Space Council, and provided that it be administered by the Vice President—Public Law 87–26.

NASA authorization: Authorized $1,784,300,000 for the National Aeronautics and Space Agency—Public Law 87–98.

War hazards: Increased monthly disability and death compensation payable under the War Hazards Compensation Act—Public Law 87–380.

Marine Corps: Improved the combat effectiveness of the Marine Corps by providing for the expanded assignment of supply-duty-only officers to unrestricted duty—Public Law 87–123.

Emergency evacuation: Provided for advances in pay to Armed Forces personnel in cases of emergency evacuation of dependents from oversea areas—Public Law 87–188.

Coast Guard—Temporary appointments: Extended to January 1, 1964, the authority of the President to make temporary appointments in the Coast Guard, or until such time as the Secretary of the Treasury determines that the number of officers holding permanent appointments on the active list of the Coast Guard is equal to 95 percent of the number authorized by law—Public Law 87–257.

AEC authorization: Authorized $270,440,000 for a total of 40 new AEC projects including the Stanford linear electron accelerator and electric generating facilities—Public Law 87–315.

AEC omnibus amendments: Enacted numerous amendments to the AEC Act designed to provide a better framework and to help us keep pace with emerging developments in atomic energy. Amendments included the transfer of 3 kilograms of plutonium and 500 grams of uranium 233 to the International Atomic Energy Agency to aid in the prestige of the IAEA as a center for distribution of special nuclear materials, and the transfer of 8 additional kilograms of plutonium and 30 kilograms of uranium 233 to Euratom for research purposes and to help start an experimental plan for reprocessing fuel elements—Public Law 87–206.

Air Force promotions: Provide a temporary program through June 30, 1963, for promotion for all active duty Air Force officers below the grade of colonel—Public Law 87–194.

Reserves: Provides more flexible regulations regarding terms of enlistment in the National Guard to make service in that unit more attractive, and other changes include making ROTC graduate training program run from 3 to 6 months at the discretion of the service Secretary—Public Law 87–378.

WELFARE AND GENERAL GOVERNMENT AREAS

EDUCATION AND TRAINING

Aid to education: Enacted a $2,550 million 3-year Federal-aid-to-education program for school construction and increasing teachers' salaries. (S. 1021.)

Impacted areas—NDEA extensions: Enacted bill which extends for 2 years, until June 30, 1963, Federal assistance to help build schools in districts burdened with substantial increases in their school memberships due to Federal activities, and authorizes an additional $20 million for this purpose. Also, extended for 2 years, until June 30, 1964, the provisions of the National Defense Education Act, passed in 1958, to stimulate a nationwide effort to strengthen instruction in science, mathematics, and modern foreign languages—Public Law 87–344.

College housing: Increased the loan authorization by $300 million for each of the 4 years beginning July 1, 1961, through 1964—Public Law 87–70.

Educational TV: Authorized Federal grants up to $1 million for any State to purchase TV transmission equipment for educational purposes, providing the State or sponsoring agency furnish the land, building, and guarantee to operate and maintain the channel. (S. 205—H.R. 132.)

Educational opportunities for migratory farm families: Authorized a 5-year program to aid in educating children of migratory workers. The Federal Government is to pay 100 percent of the program the first 2 years and the States and Federal Government will match costs for the next 3 years. (S. 1124.)

Juvenile delinquency: Authorized a program of Federal grants to communities and nonprofit agencies of $10 million a year for 3 years to aid in financing projects to combat juvenile delinquency—Public Law 87–274.

Nurses' scholarships: Extended for 4 years (to June 30, 1965) $5 million a year program for grants and scholarships for training of practical nurses under Vocational Education Act—Public Law 87–22.

Vocational teacher training: Authorized two 1-year programs of Federal grants for training teachers of the deaf, and advanced training of speech pathologists and audiologists—Public Law 87–276.

HEALTH AND SOCIAL PROBLEMS

Migratory health services: Authorized $3 million annually in Federal grants to public or nonprofit agencies and organizations for paying part of the cost of establishing and operating family health clinics and special health projects for domestic migratory farm families. (S. 1130.)

National Advisory Council on Migratory Labor: Established a 15-member council to advise the President and Congress on the operation of Federal law, regulations, programs, policies, and all other matters relating to migratory agricultural labor to provide a better understanding of conditions, needs, and long-range solutions of this problem. (S. 1132.)

Community health services: Expanded and improved community health services and facilities for the health care of the aged, construction of nursing homes, and training of public health personnel—Public Law 87–395.

Mass transit: Authorized a new $75 million program to help overcome commuting problems in cities; $25 million is authorized for demonstration grants (covering up to two-thirds of project cost) for projects to explore ways of overcoming mass transit problems; $50 million is authorized for low-interest loans to public bodies for acquiring, constructing, and improving transportation facilities and equipment—Public Law 87–70.

RESOURCE BUILDUP

Saline water conversion program: Extended the saline water conversion program, enacted in 1952, from 1962 through 1967 and authorized a total appropriation of $75 million, but does not limit the annual appropriation to a pro rata share of the total amount—Public Law 87–295.

Air pollution: Extended air pollution control authorization to June 30, 1966, provided for public hearings, and authorized $5 million a year to finance the studies. (S. 455.)

Shoreline areas: Authorized the Department of Interior to study means and costs of acquiring and preserving 14 ocean, lake, and river shoreline areas appropriate for recreational parks. Authorized the Department of Agriculture to study appropriate shorelines within the Nation's 186 million acres of national forests. Each department is to report its findings and recommendations within 2 years. Authorized $400,000 for each survey and a grand total of $25 million of matching funds to assist the States in acquiring State shoreline areas. (S. 543.)

Wilderness bill: Established a national wilderness preservation system providing that any time within 10 years, the President may recommend to Congress the permanent inclusion within the wilderness system areas totaling approximately 54 million acres. (S. 174.)

National fuels study: Approved a resolution authorizing the Senate Interior Committee to make an investigation and study of the current and prospective Government policies, to determine changes for an effective national fuels policy. Report of the findings to be submitted by January 31, 1961. (S. Res. 105.)

Migratory waterfowl conservation: Authorized a 7-year migratory waterfowl conservation program permitting advances to States to purchase necessary lands—Public Law 87–383.

CRIMINAL LAWS STRENGTHENED

Circuit judges: Created 73 additional U.S. district and circuit court judgeships to help ease the present workload and overcrowded court calendars—Public Law 87–36.

Jury commissioners: For the first time since 1884, increased the fees of jury commissioners in the U.S. district courts from the present $5 to $10 per diem for each day employed in the performance of duties. (S. 1899).

Agency investigations: Prohibits obstruction of any lawful inquiry or investigation by the Department of Justice or Treasury and strengthens prohibitions against injuries to persons furnishing information in connection with the inquiry. (S. 1665).

Gambling devices: Broadened the definition of gambling devices to cover additional types of machines manufactured for gambling purposes, and requires detailed records of all such devices shipped in interstate commerce. (S. 1658).

Racketeering enterprises: Prohibits the use of the mail or any transportation in interstate or foreign commerce for the purpose of distributing the proceeds of any unlawful activities—business enterprises involving gambling, bootlegging, narcotics, etc.—Public Law 87–228.

Transmission of bets: Forbids the use of wire communications (telephone, telegraph, or any other means of interstate wire communications) for gambling. Exempts information carried for use of the press and wireless communication—Public Law 87–216.

Wagering paraphernalia: Prohibits interstate transportation of wagering paraphernalia for bookmaking, wagering pools, numbers games, or similar games carried by means other than common carrier in the usual course of its business, but allows transportation of equipment from a State where it is manufactured into a State where parimutuel betting is legal—Public Law 87–218.

Felons: Extended Fugitive Felon Act to all felonies—Public Law 87–368.

Espionage: Extended laws against espionage and censorship to acts committed anywhere in the world—Public Law 87–369.

Tax stamps: Made it a Federal crime to transport fraudulent State tax stamps in interstate commerce—Public Law 87–371.

Plane hijacking: Made airplane hijacking a Federal crime subject to a possible death penalty—Public Law 87–197.

Aircraft claims: Authorized immediate payment of up to $1,000 to anyone who might suffer injury or personal damage as a result of an accident involving military aircraft or missiles—Public Law 87–212.

Supplemental air carriers: Provided a permanent place in the aviation industry for supplemental air carriers without adverse effect upon scheduled carriers. Provides that a carrier may request and be authorized to perform limited services supplemental to those furnished by the regular air carriers, and authorizes the Board to issue certificates of public convenience and necessity for supplemental service containing limitations on the type and extent of service authorized (S. 1969.)

REORGANIZATION AND GOVERNMENT AIDS

Government reorganization: Restored the authority of the President to submit plans

for the reorganization of the Government—Public Law 87–18.

Civil Rights Commission: Extends the life of the Commission for 2 years, or until September 30, 1963—Public Law 87–264.

HEW: Authorized two additional Assistant Secretaries—one to handle international affairs, the second to handle medical and scientific matters. (S. 2073.)

Labor: Authorized an additional Assistant Secretary to perform functions relating primarily to the employment and effective utilization of women in our labor force—Public Law 87–137.

FTC reorganization: Provided for the reorganization of the Federal Trade Commission to expedite the present workload—plan No. 4. Effective July 9.

CAB reorganization: Authorized the reorganization of the Civil Aeronautics Board to provide greater flexibility and a more expeditious handling of CAB cases—plan No. 3. Effective July 3.

Maritime reorganization: Authorized reorganization of Maritime Board—plan No. 7. Effective August 12.

ICC: Authorized reorganization of Interstate Commerce Commission—Public Law 87–247.

FCC reorganization: Authorized FCC to delegate functions in adjudicatory cases to expedite and improve the administrative process—Public Law 87–192.

SEC reorganization: Authorized the Securities and Exchange Commission to delegate certain of its functions by published order or rule to a division of the Commission, an individual Commissioner, a hearing examiner, or an employee or employee board, and provides for appeals of such delegations. (S. 2135.)

SEC investigation: Authorized $750,000 for the Securities and Exchange Commission to conduct a special investigation of the adequacy of its rules, for the protection of the investor, governing stock exchanges and over-the-counter securities trading. SEC is to report its findings to Congress by January 3, 1963—Public Law 87–196.

Internal Revenue employees: Appropriated funds for an additional 4,265 Internal Revenue Service employees—Public Law 87–159.

Travel expenses: Increased the allowances of Government employees for traveling expenses when on official business. Increases include from $10 to $16 per diem allowances and from 10 to 12 cents a mile by private automobile—Public Law 87–139.

Interstate commerce—Property destruction: Strengthened existing Federal law by making it unlawful to destroy, injure, set fire to, or otherwise damage goods moving in interstate or foreign commerce, break into or enter any railroad car, vessel, aircraft, truck, or other vehicle for such purpose—Public Law 87–221.

Rural carriers: Increased equipment allowance for rural mail carriers to 12 cents a mile. (S. 189.)

Postal employees: Extended to employees in the postal field service the same salary-retention protection in cases of reduction in grade as provided under the Classification Act since 1956—Public Law 87–270.

NSLI special dividend: Authorized the payment of a special insurance dividend averaging from $100 to $150, for those veterans who have RS or W insurance. The RS insurance is entirely term insurance and the premium increases at the end of each 5-year period. The W insurance is both term and permanent, with the increased rate at the end of each 5-year period—Public Law 87–223.

ELECTIONS AND THE WHITE HOUSE

Federal election laws: Passed a clean-elections bill to strengthen our electoral system, provide more realistic ceilings on campaign expenses, make available at the State level information on campaign financing, and provides for a tax credit for political contributions to candidates for Federal office or to political committees acting for such candidates. (S. 2426.)

National conventions: The Senate adopted unanimously a resolution expressing as the sense of the Senate that the party conventions held every 4 years to nominate candidates for President and Vice President should not be commenced prior to the first Monday in September of the year in which the election is to be held. (S. Res. 141.)

District of Columbia elections: Implements the 23d amendment to the Constitution giving the residents of the District of Columbia the right to vote for President and Vice President; retains the voting age at 21 and provides for a 1-year residency requirement—Public Law 87–389.

White House: Established the White House as a national monument—Public Law 87–286.

A Report to the People

EXTENSION OF REMARKS
OF

HON. GEORGE M. RHODES

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 27, 1961

Mr. RHODES of Pennsylvania. Mr. Speaker, every Representative has an obligation to report to his constituents.

This is my report to the people which deals with the work and the record of the 87th Congress. It summarizes my activities and states my position on important issues.

Citizens have a right to know the views, the record, and the performance of their Representative in Congress. For that reason, I make weekly radio broadcasts, send out occasional newsletters to those who request them, and mail a report at the end of each session to my constituents.

It is difficult for me to acquire all their names and addresses. Some have missed my reports. Others have received duplicate copies. A large number of letters are returned with incorrect addresses.

In an effort to provide better service and to eliminate extra work and difficulties, a new method of mail distribution was approved which will help in getting my report to all interested persons.

There have been efforts to deny Representatives the opportunity of mailing these reports by taking away their congressional franking privilege. Behind this effort are interests that would deny citizens the right to know about their Congress through their elected representatives.

This would keep important information from the people which often is difficult, if not impossible, for them to receive otherwise.

It has been charged that this service to the people is too costly. The facts are that the cost last year for franked mail for all Members of Congress was $3,800,000. The per capita cost to Berks County citizens for this service is less than 2 cents a year.

Since the cost of franked mail is paid by direct appropriation from the Treasury, it is not included in the postal deficit which last year was more than $800 million.

The loss in second-class mail service to newspapers and magazines accounts for much of the postal deficit. It costs American taxpayers more in 4 months for postal subsidies to one big publisher than it does to pay the cost for the franked mail of all Congressmen for a whole year. Subsidies to the six Luce publications which include Time, Life, and Fortune, amount to $1 million a month.

The subsidy to this big news monopoly for 1 year amounts to more than the combined annual salary of all the 437 Members of the House of Representatives. Yet syndicated columnists and political writers who attack the franking privilege maintain complete silence about the cost of subsidies to these giant publishers.

THE CONGRESS AND THE PEOPLE

It is quite obvious that many persons do not realize how closely their welfare, their opportunities for jobs, for education, health services, old-age and disability pensions, and a decent livelihood are affected by action or inaction of the Congress.

Good government depends to a large extent upon the interest and the participation of our citizens in political and governmental affairs. In the complexities of our modern society it is often difficult for the average citizen to understand how government actually affects him.

It is my hope that this report will be helpful in giving my constituents a better understanding of controversial issues and of the conflicting interests and philosophies which divide the two political parties.

There will always be differences of opinion which are essential in a vibrant democracy, if differences are kept on a high plane and every opportunity is given to the people to learn the truth and the facts.

That is why I feel obligated to inform my constituents on the work of the 87th Congress and what their Congress means to them and to our country.

THE 87TH CONGRESS SETS RECORD

The 1st session of this 87th Congress has been one of the most productive in history. This record has been the result of the joint efforts of a Democratic Congress and a Democratic administration. It has been likened to the memorable first 100 days of the Roosevelt administration. In March 1933, it was closed banks and soup lines. In January 1961, it was sagging farm prices, rising unemployment, stifled credit, and an unfavorable balance of payments.

To fight unemployment and to reverse the recession trend, President Kennedy stepped up the release of already authorized funds for Federal procurement and for construction of highways and other projects. He asked local communities to initiate "boost the economy" programs.

He accelerated farm price-support payments, cut the interest rate on loans by the Small Business Administration to firms in areas of heavy unemployment,

lowered the maximum permissible interest rate of FHA home mortgages.

The President recommended to Congress and secured the enactment of:

Extended unemployment compensation.

A higher minimum wage with coverage for 3.6 million added workers.

Aid for dependent children of people who have exhausted their regular unemployment benefits.

An area redevelopment program which will provide, over a 4-year period, $300 million in loans to areas of high unemployment or depressed income. The program also calls for grants for public facilities and funds for the retraining of workers, subsistence payments, and technical assistance to communities.

A liberalized Social Security Act.

A comprehensive Housing Act which will help meet the needs of more of our people, provide stimulus for the economy, and permit a stronger attack on slums, urban blight, and unemployment.

New highway legislation to assure the financial solvency of our Interstate program and to improve construction planning.

An expanded airport construction program.

Increased appropriations to combat the pollution of our rivers.

A 6-year program aimed at achieving economic conversions of salt water to fresh—with vast potential benefits to millions of people who do not have access to Minnesota's 10,000 lakes.

An emergency feed grain program, and an omnibus farm bill.

Legislation to extend the life of the Civil Rights Commission. There was substantial progress in other ways in civil rights for all citizens.

New laws to combat organized crime, and a 3-year program of demonstration projects for control of juvenile delinquency.

The first major addition to our National Park System in 14 years.

And a community health facilities program to help our 17 million senior citizens through nursing homes, diagnosis, and advisory centers, improved hospitals, and other community services.

People who say the Kennedy administration is really not so different from the Eisenhower administration should, as Al Smith used to say, "look at the record."

BATTLE OF WORDS

These are programs that the Republican leadership in Congress have opposed with such arguments as wasteful and unnecessary spending, States rights, welfare statism, big government, and Federal control. Throughout our history, however, liberal programs such as offered by President Kennedy have always been opposed by ultraconservative interests.

There is, of course, a sharp conflict between the Republican philosophy which Democrats refer to as trickle-down and the Democratic belief that progress and prosperity depend upon the purchasing power of the people and their opportunities for jobs and expanding public service.

Republican leaders contend that the Nation cannot afford to do the things which the administration proposes, while Democrats insist that our country cannot afford to ignore them.

Like my Democratic colleagues, I am alarmed at the terrible waste in human and natural resources which goes on in the name of economy.

The real wealth of our Nation lies in these human and natural resources, the intelligence, health and know-how of our people, and the productive power of men and machines. Unemployment is waste. Failure to use the services of partially handicapped persons and many men over age 50, who are willing and able to work, is wasteful. To deny our youth educational opportunities is a waste to our Nation which needs to develop the best of its talent.

The waste in lost productivity and wealth due to economic curtailment, unemployment and recession during the last several years is too staggering to estimate, running into untold billions of dollars. President Kennedy reversed this trend with his progressive program and strong leadership which won substantial congressional support including some help from the more liberal Republican Members.

PENNSYLVANIA DEMOCRATIC WHIP

In this session of Congress I again served as whip and floor leader of the Pennsylvania Democratic delegation, and as an assistant to the majority whip, Congressman CARL ALBERT, of Oklahoma. Mr. ALBERT is one of the seven top leaders of the Kennedy administration. His ancestors migrated from Berks County almost a century ago.

As a party whip, I had occasions to meet with House and Senate leaders, with the Vice President, and with President Kennedy himself. During the session I met with the President on four different occasions in the White House. I was pleased to have played a part in securing favorable consideration for his program in the Congress.

SPEAKER RAYBURN

During the session I enjoyed several opportunities of briefly serving as Speaker pro tempore, substituting for the immortal House Speaker, SAM RAYBURN. Representatives of both parties are grieved by Speaker RAYBURN'S illness. There is no doubt but that he will go down as one of the great men in American history. To know him as a close and dear friend is a real privilege.

SAM RAYBURN is well known to many Berks citizens. He graciously accepted my invitation to meet and talk to individuals and groups who visited the Capitol. It was an annual event for students and their teachers from Woodrow Wilson High School at West Lawn to meet Speaker RAYBURN in his private office or on the floor of Congress.

ATTENDANCE RECORD

My attendance record was again one of the highest in Congress. On 231 quorum calls and votes, I missed only 3, giving me an attendance record of 98.7 percent. It is extremely difficult to get a 100-percent record because of conflicting duties which Members frequently face.

COMMITTEE ASSIGNMENTS

I am a member of the Interstate and Foreign Commerce Committee. This committee has jurisdiction over the following regulatory agencies: Federal Trade Commission, Securities and Exchange Commission, Federal Communications Commission, Civil Aeronautics Board, Federal Aviation Agency, Federal Power Commission, and Interstate Commerce Commission.

The Comerce Committee specializes in the fields of transportation, communication, finance, health, and safety. As a member of this committee, I voted for the reorganization of the Communications Commission, which regulates the broadcasting industry.

I supported the new Commissioner, Newton N. Minow, in his effort to promote educational features on television and to eliminate fraud and deception and those evils which contribute to juvenile delinquency and crime.

As a ranking member of the Subcommittee on Health and Safety, I gave special attention to programs which seek to find the cause and cure of crippling and killing diseases. My bill to aid the graduate schools of public health in training doctors, nurses, technicians, and other specialists, was passed by the Congress as part of the overall community health facilities bill.

Our subcommittee also deals with problems on food additives and labeling, smog and air pollution, and travel safety.

I am also a member of the House Administration Committee which manages the House side of the Capitol. It has jurisdiction over House employees, committee appropriations, contested elections, and printing of Government documents. I also serve as member of the Printing Subcommittee and the Committee on Accounts.

BILLS INTRODUCED

In this session of the Congress I sponsored legislation to raise income tax exemptions to $800 a year; increase minimum social security benefits to $50 a month; allow benefits to men who retire at age 62; women at 60; establish a Federal Agency for the Handicapped; grant a deduction for income tax purposes to handicapped persons for transportation expenses to and from work; and provide an additional tax exemption for a taxpayer supporting handicapped dependents unable to care for themselves.

Other bills I introduced were designed to provide a massive public works program to put jobless people back to work; provide a pension for World War I veterans; aid in the creation of a nationwide system of junior colleges; increase the Federal authorization to assist schools of public health in training specialists for public health service and institutional work; establish a U.S. Arms Control Agency; limit postal subsidies to giant publications; honor the Dean of March Music by naming one of the buildings of the Library of Congress the John Phillip Sousa Memorial Library.

DISCUSSION AND DEBATE

As part of my congressional duties, I presented testimony before several House committees on pending legislation. They included such subjects as aid to the handicapped, pensions for veterans of World War I, postal subsidies, and public health legislation.

I have taken part in discussions on the floor of the House on such questions as foreign policy, mutual security, automation, social security, aid to education, disarmament, and the Berlin crisis.

ANTIRECESSION PROGRAM

When President Kennedy took office last January, the country was in the midst of its third serious recession in 6 years. Five and a half million Americans were out of jobs. Business failures were at the highest levels since the great depression. Our major industries were operating between 50 and 80 percent of capacity. Housing starts were at their lowest since 1949, farm incomes were critically low, and millions of our fellow citizens looked hopelessly for work in the many areas throughout the Nation.

Here is a brief report on the most important bills which were introduced to restore health and vitality to our economy, to increase our rate of economic growth and to meet urgent needs.

UNEMPLOYMENT COMPENSATION

To aid the unemployed, President Kennedy asked that Congress extend unemployment benefits for an additional 13 weeks. Within 63 days after taking office, the Congress passed President Kennedy's proposal. I gave full support to this effort.

To aid the hungry in areas of heavy unemployment, President Kennedy issued an Executive order increasing the quantity and quality of surplus food available to needy families throughout the Nation.

AREA REDEVELOPMENT

Twice vetoed by former President Eisenhower, the Area Redevelopment Act was passed in this Congress and signed by President Kennedy. It provides $394 million in Federal loans and grants to assist urban and rural areas suffering from excessively high rates of unemployment. I supported this bill which was important to Berks County and to the people of many other areas of Pennsylvania, particularly to distressed coal region areas like neighboring Schuylkill County.

HOUSING

To meet housing needs and to increase our rate of economic growth, Congress passed the most comprehensive housing program in congressional history.

This new law will help to give every American an opportunity to own his own home. To help our citizens in the lower income groups to buy their own homes, the law contained a low-interest, low-downpayment, 35-year loan program.

This bill also included an expansion of urban renewal, public housing, housing for the elderly, and college housing. In addition, a program was established to obtain open spaces in urban renewal areas for children to enjoy fresh air and recreation.

The housing program is extremely beneficial to Berks County. It makes it possible for thousands of our citizens to purchase decent homes through FHA-insured mortgages. It provides loans for our colleges. This year Albright College received $920,000 to build needed dormitory space.

The city of Reading was given a grant under the housing law to begin a study of its urban renewal program, to say nothing of the Federal grants the city has received for other parking lots, other redevelopment projects. Many of our boroughs in the county have benefited from this legislation.

Projects such as the Hensler Homes to provide decent shelter for our senior citizens also comes under this important program.

It was necessary for the President to muster substantial party support for the housing program which was strongly opposed by 84 percent of the Republican Members of the House. Because of my long experience and interest in housing, I gave my full support to President Kennedy on the housing issue.

IMPROVED SOCIAL SECURITY

As part of his antirecession program, President Kennedy proposed a liberalization of our social security program.

Minimum monthly benefits were raised from $33 to $40. Widows' benefits were increased. Men were given the option to retire at 62 years of age with slightly reduced benefits. The requirements for eligibility were liberalized to enable thousands of our senior citizens to come under the social security program. Yet, of all welfare programs, this is the one which Republican leaders most bitterly oppose. One of the leading objectives of the John Birch Society, a conservative front organization which includes many millionaires, is to repeal social security. The Birch Society has strong influence in the Congress. Its influence was felt at this year's national convention of Young Republicans in Minneapolis, which passed a resolution calling for the abolition of our compulsory social security program. The popularity of social security, however, causes many other conservative leaders to conceal their hostility toward this program.

With many liberal Democratic colleagues, I feel that much still remains to be done to improve social security. Benefits generally are too low and coverage should be expanded to those old folks who are not covered. However, the minor social security changes made this year will help an additional 4½ million people to enjoy improved living conditions in their retirement years.

COMMUNITY HEALTH FACILITIES BILL

The community health facilities bill which was recently enacted will provide community health services and facilities for our aged people and for the chronically ill. It calls for expanded research in seeking the cure of crippling and killing diseases. The bill provides matching funds for improved nursing home programs, home health care plans, and outpatient diagnostic services. Increased authorizations for the construction of public and nonprofit nursing homes are also provided.

The need for this legislation was pressing. With the lengthening of the lifespan in America, the problems of chronic illness have increased. More than half of the 17 million persons over 65 years of age, excluding those in institutions, have some kind of chronic health problem which interferes with their daily living. In addition to this, many middle aged, young adults, and even children are affected by chronic illnesses.

Included in this act was a proposal which I sponsored. I was pleased to play an active part in the drafting and final passage of this important bill.

AGRICULTURE

Efforts were made to improve farm incomes which for the past 8 years had declined sharply. The drop in buying and consuming power of American farmers helped to aggravate the recession and had an effect on the whole economy.

This year net farm income will be about a billion dollars above the total for 1960. Both executive and congressional actions since inauguration day have been directed toward improving the position of farm families.

Congress enacted the broad scale and long-range program called the Agricultural Act of 1961. This act extends the feed grains program for the 1962 crop, liberalizes farm credit programs, establishes wheat programs for 1961–62, encourages acreage reduction, extends and broadens the food-for-peace program, and extends such important instruments of national policy as the school milk program, and the conservation programs.

The objective of the President and his administration is to insure that the farmers who feed our people will have a parity in income and equality in opportunity with urban families.

As President Kennedy said in his first farm message to Congress:

> The solution to the farm problem lies not so much in severe restrictions upon our talent to produce as upon proper channeling of our abundance into more effective and expanded uses. American agricultural abundance can be forged into both a significant instrument of foreign policy and a weapon against domestic hardship and hunger.

NATIONAL DEFENSE BUILDUP

On taking office, the President and Secretary of Defense Robert McNamara set about on an immediate review of our defense posture which resulted in a revamping of our military strength. It was designed to protect and strengthen our strategic deterrent by improving such programs as Polaris missile production, our continental defense, and our bomber warning systems, and by strengthening our ability to deter and confine limited and guerrilla type wars.

Included in the new defense appropriations are some $300 million for a more effective civil defense program.

The recent Russian achievements in space were another factor in increasing our defense buildup. This year Congress increased its outer space authorizations by 75 percent to start us on the road to match and eventually surpass the Soviets in space technology and exploration. Success in the field of space exploration would also lead to better weather fore-

casting, improved land and sea navigation, untapped resources in solar power, and better communications throughout the world.

NEW STARTS IN FOREIGN POLICY

Military might alone is not sufficient for our Nation's security or for future peace. The skill of our diplomats and the molding of foreign policy are also of vital importance.

When President Kennedy took office, he faced the grimmest situation in foreign relations that has ever confronted a new Chief of State.

Communist guerrillas were advancing in Laos and threatening at every weak point in southeast Asia. Communist puppets and agents from Moscow were moving to consolidate their positions in Africa. A Communist beachhead had been established only 90 miles from our shore in Cuba, despite the best efforts of the previous administration to contain the influence of Moscow, and our alliances with old allies abroad were steadily deteriorating.

REBUILDING OLD TIES

The administration at once responded to these problems not only by increasing our military strength but by repairing our relations with our old allies in Europe. A strong free Europe is seen as our first line of defense against the Communist menace. Soon after his inauguration, President Kennedy was meeting with the leaders of the European powers in an attempt to strengthen and reactivate NATO. Today, when the Berlin crisis looms high, Europe and the United States are standing firm as a solid block against the irresponsible demands of the Communist world.

WAR ON THE BREEDING PLACES OF COMMUNISM

As an effective means in fighting communism, President Kennedy placed the emphasis on eliminating conditions that breed communism. In his address announcing the new alliance for progress, the President announced our Nation's commitment to cooperate with the underdeveloped nations in ending the poverty, illiteracy, hunger, and unemployment upon which communism thrives.

Along with our assistance, the underdeveloped nations would be expected to make necessary internal reforms such as land redistribution and tax revision in order to make their governments more stable and to make a greater contribution to their own national development. The President has pledged to rid our foreign aid programs of waste and corruption, and to insure that our aid would help all the people and not just the favored few.

Many in Congress feel that economic assistance is a vital part of our defense effort. It will do little good to forge strong military alliances in the chain to contain world communism if our economic links are weak. Many of us agree with President Kennedy who declared that military pacts cannot help nations whose social injustice and economic chaos invite insurrection and chaos.

PEACE CORPS

Congress voted to establish a permanent Peace Corps as part of our overall effort to avoid war and chaos. It is hoped that this relatively inexpensive program will contribute toward curbing Communist aggression throughout the world. It also strikes at poverty, illiteracy, hunger, insecurity, and such evils on which communism breeds.

ARMS CONTROL AGENCY

Another new start in our foreign policy came when Congress passed an Arms Control Agency that would emphasize our Nation's peaceful intentions, concentrate the work of all Federal, State, and local disarmament groups, and work out practical and effective alternatives to nuclear war.

This legislation, which I helped to sponsor, enjoyed the wholehearted bipartisan support of former President Eisenhower and former Secretary of State Christian Herter, as well as all leading Members of both parties in the 87th Congress.

UNMET PUBLIC AND HUMAN NEEDS

Despite excellent progress made in this session, several major measures will face the Congress next January.

AID TO EDUCATION

It was unfortunate that the administration's aid to education proposals were killed by the conservative coalition in the House. The final move to consider even a modified general aid to education bill on the House floor was killed by almost solid Republican opposition with the help of conservative southern Democrats. One hundred and sixty of the one hundred and sixty-six Republicans voted to kill the school bill.

The President's proposals are essential to help meet the growing shortage of classrooms and teachers. On the national level, there is a shortage of 142,000 classrooms and 135,000 qualified schoolteachers.

The administration's proposals would have meant an extra $28 million for the State of Pennsylvania to spend on education, to say nothing about the 1,000 or more scholarships to needy high school seniors and other programs to be expanded under the National Defense Education Act.

MEDICAL CARE FOR THE AGED

The President's proposal for financing hospital and nursing home care through the social security system to meet the needs of our senior citizens is also awaiting action by the next session of Congress.

This program is essential to meet the health needs of the more than 17 million people who are now over age 65. At a time when the health needs of these people are greatest, their income is at the lowest levels in their lives.

PRESIDENT MOVES TO HALT INFLATION

At a recent press conference, President Kennedy expressed his fear that inflation would again rob our people if our major industries did not hold the line on unjustified price increases.

Acting upon the advice of his Council of Economic Advisers, the President pointed out the inflationary tendency of excessive concentration in some of our major industries. The President told the people that administered or rigged prices in some of our Nation's major defense industries have played a key role in the inflation of recent years and have robbed our people of millions of dollars in real income.

Inflation is a real problem which is too often associated with deceptive efforts to defeat programs which are in the public interest. In recent years, however, it has been revealed that unjustified hikes in the price of steel have been a leading factor in the inflationary trend. The prices in this key industry have been pushed up faster and further than the average of all other commodities.

President Kennedy is deeply concerned about increasing the Nation's rate of economic growth and in preventing inflation from robbing our people of their hard-won social gains. To prevent this, President Kennedy has called upon both labor and management to show moderation and self-restraint in price hikes and labor contract negotiations.

INVESTING IN AMERICA'S FUTURE

Every informed person knows that there needs to be a proper balance between Government spending and revenues. But there is a big difference between investments for public service, education, health, housing, and the big spending which benefits a favored and powerful few.

One road leads to a strong and prosperous economy. The other leads to unemployment and recession and the neglect of human needs and public service.

ABUNDANCE SHOULD BE USED WISELY

In these days of great confusion, it is important to look beyond scare words and deception, and seek the truth and the facts.

We are blessed in our country with abundance and with great human and natural resources. Yet there is unnecessary suffering and distress. There is no need to fear the future if we have faith, courage, and understanding, and if we dedicate ourselves to promoting the public welfare and the common interest we all share in a strong, united and prosperous America.

As a Member of Congress this has been my objective. This is why I have supported legislation for schools, jobs, old age security, and programs to meet the needs of our people and our country.

FEDERAL FUNDS AID BERKS

More than $24 million in Federal funds have entered Berks County during the first 8 months of this year. Nearly a million and a half dollars a month comes to local citizens every month as pension payments to our aged and disabled folks through social security. This purchasing power is also a stimulant to business.

Aid to Albright College was given in the form of a long-term, low-interest loan of $920,000 for needed dormitories. It supplements the funds received from local citizens who are making voluntary contributions toward the long-range development of the college.

An additional $143,000 went to both Albright and Kutztown State College in the form of student loan funds to enable needy youths in Berks County to achieve a college education.

READING GETS FEDERAL AID

Three and a half-million dollars in loans and grants went to the city of Reading to assist in building needed parking facilities and other urban renewal projects.

One hundred and fifty thousand dollars has been advanced to help extend the city's sanitary sewer system to include the 18th and 19th wards. Another quarter of a million dollars went to several of our local boroughs and townships to assist them in building adequate sewage and water treatment systems.

Recently, a number of local businessmen and Reading city officials came to Washington to seek Federal funds under the community facilities program for assistance in the elimination of the Seventh Street grade crossing. Senator CLARK and I have introduced legislation which would make this aid possible.

Almost a million dollars went to the Reading Hospital to help provide 228 additional beds for that institution. One hundred and eighty thousand dollars in small business loans were cited for Berks. Federal funds also come into the county through other progressive programs.

Federal aid helps to pay for our highways and for many other programs like aid to the blind and public assistance. It has been a major factor in providing employment and in keeping the community prosperous and the Nation strong.

EDUCATIONAL AID FOR READING AND BERKS

The Reading School District this year received more than $100,000 in Federal aid to education. Some of the money, provided by the Defense Education Act, was used to develop new programs in mathematics, science, foreign languages, and guidance.

Federal funds helped elementary schools to acquire microprojectors to increase scientific knowledge of our youngsters. Visual-aid equipment and reference books to aid teachers and pupils in fields of vital importance to the Nation were also acquired with Federal aid.

Federal assistance helped to build the language laboratory at Reading High School and at Northwest Junior High School. To the credit of local school authorities, the Reading School District has taken full advantage of Federal aid to education.

Educational opportunities for local students have been enhanced and the burden of educational costs for Reading taxpayers has been alleviated by Federal funds. Educational aid funds for Reading schools are being used for everything from teachers' salaries and reference books to low-priced daily luncheon platters.

The Reading School District has received $34,000 in Federal aid funds for the practical nursing program. In addition, $15,286 under the Smith-Hughes Act of 1917 helps to pay for teachers salaries in the field of vocational education.

As far back as 1861, Federal aid to education programs have been beneficial to school districts which took advantage of Federal assistance. These aid programs prove that the old scare slogans of "Federal Control" and "Wasteful Spending" do not stand up when all the facts are available for consideration.

The need for Federal aid is more urgent today than ever. If President Kennedy's school aid proposals are adopted it will provide many Federal scholarships for talented young people in Berks County who are now being denied the full opportunity to develop their talents and brain power.

To meet educational needs and to relieve local taxpayers of increasing school costs, the Kennedy school aid program is most essential.

Federal aid programs such as these which have helped Berks County, and other sections of the Nation, meet with strong opposition from opponents of the Kennedy administration. It is on these important domestic programs that the two parties sharply disagree.

POLITICAL SPENDING

A congressional committee has reported that millions of dollars are being spent each year in national political campaigns. Yet influencing election contests involves much more than the expenditures which are cited in such reports. To get a more realistic picture of political spending, one should also include the cost of political efforts of syndicated columnists and political writers and the value of free space given by the big news monopolies to influence political thinking and voting trends.

Nearly all of the big high-salaried national columnists hold conservative views or reflect the interest and philosophy of those who own and control the big news syndicates.

It is this fact that causes a one-sided presentation of news and information and makes it difficult for a clear public understanding of the controversial and crucial issues which confront the people of the Nation.

Political spending reports are not complete unless they include all the organized efforts to influence public opinion and election results.

COOPERATION WITH INDUSTRY

Our business community has made steady recovery from the recession. All the important statistics point to a rising level of business activity, which will mean both greater employment and profitable enterprise.

Whenever I could properly be of assistance to business and industry in Berks County, I have cooperated in every possible way. I fully appreciate the importance of a successful and prosperous industry to our community. A healthy climate for business means jobs for working men and women, and prosperity for our city and county.

Politics are never permitted to interfere with my responsibility to all of my constituents. I am sure that many Berks County business leaders will attest to this fact.

Pennsylvania's Democratic Senator JOSEPH S. CLARK is a good example. As former mayor of Philadelphia, he has gained nationwide attention for the big city's rebirth and progress under his leadership.

Senator CLARK has a business and professional background and comes from a well-to-do family. Yet Senator CLARK is one of the most progressive Members of the Senate. He is a man of impeachable integrity, great ability, and political courage.

In his years in the U.S. Senate, Senator CLARK has become known for his untiring efforts for social reform, civil rights, and progressive and humanitarian legislation. The more progressive leaders of industry understand that Senator CLARK's efforts for economic growth and social reform legislation are not only in the public interest but also essential to business and industry.

SPECIAL REPORTS AVAILABLE

Persons interested can get special reports on social security, the Maidencreek, and Blue Marsh water development proposals, the dividend withholding tax issue, television reform, political spending, and postal subsidies. Write to my Washington office for any of these special reports or for any other information in which you are interested.

NATIONAL CITATION

One of the most rewarding experiences during my service in the Congress was to receive a citation of merit for my efforts and work in the Congress on behalf of the handicapped citizens of our country.

The award was presented to me by the Indoor Sports Club of America at their national convention banquet in Washington last summer.

On a number of occasions I have discussed the problems of our handicapped people on the floor of Congress and have called attention to the legislation which I have introduced in their behalf. Much progress has been made in getting recognition and consideration by the Congress for an effective program to aid the handicapped.

CONGRESSIONAL REAPPORTIONMENT

Because of population trends, Pennsylvania will lose 3 of its 30 seats in the next Congress. Unless the State legislature acts to eliminate 3 districts, a statewide election for 27 Representatives is necessary.

It is expected that Berks County will be joined with one of the neighboring counties to form a new district. Schuylkill County is the most probable because it will bring the total population of the district to 447,000 which is close to the new population average of 419,000.

Schuylkill County is one of the many depressed areas in Pennsylvania. It sorely needs Federal cooperation and help in meeting the needs of its people. If a Berks-Schuylkill district is formed, it will cement ties between the two counties that will be of mutual benefit to the citizens in both counties.

After his inauguration, President Kennedy said that the greatest danger which faces us is our unwillingness to do the things that need to be done. It is evident that our first task is to arouse greater public interest in politics and government and an understanding of fundamental issues. To assist in this effort, I will make myself available during the congressional recess to appear before any and all groups to speak or to answer questions on issues before the

Congress and the Nation. Those interested can contact me through my Reading office.

On Fighting Communism

EXTENSION OF REMARKS
OF

HON. JOHN A. CARROLL

OF COLORADO

IN THE SENATE OF THE UNITED STATES

Wednesday, September 27, 1961

Mr. CARROLL. Mr. President, some people talk a good fight against communism. Others do something about communism. Some people talk against social injustice. Others act against social injustice. Some people deplore usurious interest rates. Others batter down the rates.

Mr. President, I know a man who does something about communism, acts against social injustice and fights high interest rates.

He does not fight communism with his mouth. He fights it with his energy; he fights it spiritually and materially.

The man I am talking about is a Denver born Maryknoll priest, Father Dan McLellan.

Colorado is proud of Father McLellan as a man who substitutes action for words in combating the international menace of godless communism.

The whole country should know about Father McLellan's methods of fighting an ideology that feeds on fear, hate, poverty, greed, and sickness.

That is why I ask unanimous consent that there be printed in the CONGRESSIONAL RECORD, as a testimonial to the tactics of this brilliant and courageous priest, an article in the Reader's Digest of April 1961, describing his work.

Father McLellan, as the article concludes has become a significant force in the cold war.

The doers against communism will salute this valiant son of Colorado as a man who knows the enemy and how to fight him effectively.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

THE MONEY MIRACLE OF FATHER DAN

(By Lester Velie)

Two and a half miles up in the Andes, on the cold windswept shores of Lake Titicaca, the ancient town of Puno, Peru, not long ago leaped out of its centuries-old poverty and stagnation into the 20th century. A homemade miracle did it.

Where earth-floored mud hovels stood before, hundreds of homes have sprouted, many with indoor plumbing and hot showers. Where 35,000 townsfolk had only their legs to get around on, buses and taxis now run. The town has an electric-oven bakery, a radio broadcasting station, and a refrigerated packing plant nearby. Stores sport bicycles, sewing machines and refrigerators. And onetime shoeless, illiterate Indians have blossomed out as founders of their own businesses.

The man who breathed this life into Puno is a lean, 44-year-old 6-footer who tells earthy stories in the Andean Indian languages of Aymara and Quechua. He is a bullfight aficionado and has done a bit of bullfighting himself. Called Father Dan, he is formally the Reverend Daniel McClellan, a Maryknoll Fathers missionary.

When Father Dan came to Puno his parishioners, few of whom saw more than $100 in a year, barely subsisted. There was little or nothing to spare for emergencies: a doctor's bill, a burial, even tiles for a new roof. Banks made no loans for personal needs. In fact, in all of the 85 miles between Puno and the Bolivian border, there was not one bank where 300,000 Indian farmers and villagers could save or borrow. In a money crisis they turned to usurers, and paid as much as 50 percent monthly interest. How could Father Dan tend to men's souls, when their minds were tormented by debt and their bodies were in want?

Puno, moreover, was the typical neglected stepchild of the Latin American system that drains the wealth of the interior into the national capital and centralizes all government there. Did a street need paving? The petition had to go 500 miles and over two mountain ranges to Lima—there to gather dust on some ministry desk. Did the schools need benches? Money trickled down so slowly from Lima that children used rocks for school seats. Even if the people wanted to do something for themselves or their town, there was no capital to do it with.

Father Dan created that capital as food was created in the miracle of the loaves and fishes—almost out of nothing. To his parish house he called seven townsmen: two laborers, a judge, an office clerk, two doctors and an officer of the National Police.

"What our Puno people need," said Father Dan, "is lending money, working money." The faces before him grew long. This was not news.

"And I know where to get it."

The faces brightened.

"Look, let me show you." Father Dan took a copper sole (4 cents) from his pocket.

"By itself, in my pocket, this sole can't do much. But suppose 100 of us each put 5 soles into a savings pool, and did this every week for a year. See? The handful of soles would have grown to 26,000 soles, about $1,040. They would be transformed from idle money into working money—that could be lent out. And as the loans came back in monthly installments, the money's lending power would be multiplied. We could lend up to three times as much as we put in—some $3,000 in all."

It turned out that the padre had been staying up nights studying how to set up a credit union. Through such unions in Western Europe, the United States and elsewhere, he pointed out, some 15 million men and women have banded together in their factories, their offices, churches, villages, to save money together and to make loans to one another.

"But that's in rich Europe and richer America," Father Dan's listeners protested. "Will our suspicious villagers trust anyone with their few soles? Will they repay what they borrow?"

Father Dan talked down these doubts. Twenty-three Puneños put up 603 soles, about $24, to form a credit union. Today, after 6 years, it is the biggest in South America. In this bootstrap bank some 4,000 Puneños have accumulated an average $90 each, and from it $1,200,000 in loans has already flowed.

In the credit union Father Dan has found a quick way to raise living standards in an underdeveloped country and to give people hope until land reforms and industrialization come to the rescue. He has hit on a form of self-help assistance that lets the proud individual keep his pride, and that develops the managers and risktakers for a free, modern society. And, above all, he has taught the people to tackle their problems on a community level—a rare procedure in Latin America.

The Reverend Daniel McClellan looks out at the world with intense eyes set deep in a worn face. As a Denver highschool student who boxed and was an all-State football center, he dreamed of life as a missionary with adventures in faraway lands. But the biggest adventure of all he found in people.

As a seminary student at Maryknoll, in a New York City suburb, young McClellan would spend his free days in New York gymnasiums talking boxing with the bruisers training there and occasionally sparring with one. Or he would wangle his way backstage to make friends with Broadway figures, or would talk airplanes with fliers at a Long Island airport, where he learned to solo. When he was ordained, there was quite an assortment of well-wishers on hand, his sister recalls.

In Peru, to build his "banks with a heart," Father Dan needed his talent for people. One of the first borrowers to present himself at the Puno credit union was a ragged figure whose care-lined face and drooping shoulders spoke of the beaten man. His story, told in the Quechua tongue of his Inca ancestors, was a familiar one. He had borrowed 300 soles from a moneylender to bury his father. At 30 percent monthly interest, he had already repaid three times the amount of the loan; yet he was no nearer repaying the principal than when he first borrowed the money a year before.

With Father Dan the young credit union's loan committee—a secretary, a government clerk and a laborer—sized up the applicant. He had been among the first to join the union, painfully accumulating 30 soles of savings. His neighbors respected him. The committee granted the man a loan to repay the usurer. Now, instead of paying 360 percent yearly, he would repay at what amounted to an annual rate of 6 percent.

Mariano Cruz Rojas, an 18-year-old sheepherder, walked 9 miles in sandals made from old automobile tires to apply for a loan. In his frayed poncho, mended homespun pants, and speaking only in Aymara, he seemed just another illiterate Indian. But his eyes glowed with intelligence, and he had an idea. If he could borrow $25, he could buy onion seed and sell it to the people of his village. He got his loan.

In a month young Mariano was back. He had sold his seed and could repay his loan. Now he wanted to borrow $40 to buy more. When he returned to repay this second loan, he wore shoes. With subsequent appearances and repayments be sported a suit, then a shirt and a tie. Within a year he was applying for his loans in Spanish. He learned to read and write, and soon was teaching others in his village. Today, on loans from the credit union, Mariano Cruz Rojas has built a farm-supply business that employs two salesmen. But for the union he would still be a sheepherder.

News of Father Dan's credit union reached faraway Madison, Wis., home of the world organization, the Credit Union National Association (CUNA). CUNA was interested in spreading credit unions throughout Latin America and sent a full-time field specialist to Peru.

Father Dan, released from parish duties to devote all his efforts to credit unions, went to Lima. There he found the familiar Latin American contradiction of great wealth side by side with cruel poverty. Proud banks, grown great on the agricultural and mining wealth sucked into the capital, studded the center of the city. Skyscrapers and luxury apartments and a residential section of fine mansions gave it a modern air. Yet ringing all this, like a sullen army set for a siege, were some 35,000 of Lima's workers and lower-middle-class people—cabdrivers, market porters, waiters—encamped in rusted tin

shacks, many of them roofless, without water, without light and full of disease.

In this seemingly hopeless human jungle, among illiterate factory workers, handymen and laborers, Father Dan found the human material for credit-union treasurers and directors. Some members could save only one sole a week. Yet the small pools of capital helped cabdrivers repair their ancient cars without falling into the hands of loan sharks. Families borrowed to buy books and shoes and clothing for children when school opened.

Working outward from the wilderness of the slums, Father Dan spread credit unions among bank clerks, naval officers, newspaper reporters, lawyers. Fifteen young Lima business executives formed their own credit union in order to learn how to organize them among wage earners. A textile manufacturer formed a credit union among his employees so that they could borrow and buy shares in his business.

Communists fought the credit unions. They argued that workers who solved their money problems through self-help reduced pressure on the boss. When this argument failed, they tried to take over the unions—unsuccessfully.

As the credit unions grew, a national federation of them was organized. With money contributed by businessmen and by bankers who themselves provided no banking service to the people, Father Dan set up a federation office staffed by five devoted young Peruvians. One turned down a job with an American concern to work at lower pay for Father Dan. Another rejected a career in the United Nations.

Father Dan borrowed $1,500 from the Maryknoll Fathers, bought a car and started traveling to the far reaches of Peru's Andean highlands, coastal desert, and jungles to form credit unions, audit them, nurse them. He raised dust on some 55,000 miles of primitive roads in 2 years. What the car couldn't reach, an Amazon River boat or an airplane would.

He created a credit union training center at San Marcos University, in Lima, to which future administrators flocked. He journeyed to La Paz in Bolivia to form six pilot credit unions there. Venezuela paid part of the expenses of an inter-American credit union workshop at which Father Dan's staff gave most of the lectures.

By the end of 1960 Father Dan could count more than 200 credit unions in Peru, serving 40,000 families. New credit unions were rising at the rate of three a week. He had created a pool of consumer credit and growth capital that now rivals the resources of some of the big banks, and he dreams of a larger goal. If 1 million Peruvians were to save only 1 sol a day, there could be as much as $45 million of working money yearly—where none was before. And this could be achieved in other Latin American countries, too.

Puno today is an example of what can be done. The town got its first X-ray equipment when the credit union lent a doctor $3,000. It got its first modern dental equipment with such funds, and its first bus. The number of trucks and cars in Puno's streets has doubled. Topping all this, 700 construction loans made by the credit union meant that many families now for the first time have floors and indoor tapwater.

Not long ago, when the townsfolk of Puno honored Father Dan with a luncheon, a prominent Peruvian Communist freshly returned from an expense-free junket to Red China, urged the townsmen to "break with their cultural past" and look to communism as "the true road to progress."

In Father Dan's absence, a fellow Maryknoll missionary answered. "The Communists give us promises," he said, "but Father Dan has acted."

"It's the little guys all over the world who hold our fate in their hands," says Father Dan. "They spell the difference between the liberty we love and the life of slavery others would force on us."

What began as a one-man assistance program in a remote, mountain-locked town, has blossomed into a significant force in the cold war.

Now I Know

EXTENSION OF REMARKS
OF
HON. CHARLES McC. MATHIAS, JR.
OF MARYLAND
IN THE HOUSE OF REPRESENTATIVES
Wednesday, September 27, 1961

Mr. MATHIAS. Mr. Speaker, I visited Camp Greentop recently and was much impressed by the remarkable experiment conducted by the Board of Education of Frederick County. The work at Camp Greentop is so well described in an article "Now I Know" in the Maryland Teacher, by Dr. Warren R. Evans, supervisor of health and physical education of Frederick County schools, that I am appending the text of the article:

NOW I KNOW

(By Dr. Warren R. Evans, supervisor of health and physical education, Frederick County schools)

"I liked being in the out of doors where I could learn more about nature. I learned that some plants are good to taste and smell. And that snakes are not slimy."

"Being on my own at camp was fun. It teaches you how to get away from parents for a while."

"I learned so many new things about plants and animals because I could see the real plants and animals. It isn't like looking the plant up in a book and reading what it says in the paragraph."

"I learned so many new things about nature that I could never begin to name them. When we went to Owens Creek and looked for insects, I was surprised when the teacher found the caddis fly and his home, because I had never seen one and I have wondered what they looked like, but now I know."

Perhaps the looks of a caddis fly and his home seem pretty unimportant to you, but who can say what unimportant-seeming detail may ignite that precious spark of intellectual curiosity in the eager and questing mind of a child? Who can evaluate the importance to his future development of that first heady experience in independence, when, "away from parents for a while" he discovers for himself that "snakes are not slimy?"

The quotations are taken from questionnaires filled out by sixth-grade youngsters in Frederick County following a week's participation in an outdoor education program, sponsored by the Frederick County Board of Education. Through this unique program, upper elementary grade children and their classroom teachers spend one school week at Camp Greentop in the Catoctin Mountain Park, near Thurmont.

This program has developed as a result of the writer's attending a Virginia State Workshop in Outdoor Education with Herbert Steiner, State Supervisor of Health, Physical Education and Recreation in September 1956. This workshop was one of several conducted by the Outdoor Education Project of the American Association for Health, Physical Education and Recreation, a department of the National Education Association.

Dr. James Sensenbaugh, superintendent of schools, and Mrs. Louise Thompson, elementary supervisor, indicated interest and lent support when the idea of a school camping program was suggested to them in October of 1956.

The first planning committee meeting was held in December of that year, and great enthusiasm for the project was shown. It was decided to select two sixth grade classes for a pilot program during May of 1957. Two action committees grew out of this meeting, one to work on program and one to work on such administrative problems as food service, transportation, leadership, and housing. All State conservation agencies and the National Park Service indicated great interest and offered help in the development of the program.

The administrative committee arranged transportation, lined up the food service personnel, ordered needed equipment, made arrangements to have a nurse available at all times, reserved the camp facility for the last 2 weeks in May, and took care of many other administrative details. It was agreed that the facility, equipment, transportation, and instructional leadership be provided by the parents. The fee per pupil was set at $8 with provisions made in each school to provide PTA scholarships for children unable to pay the fee. It was agreed that every possible effort should be made to make sure no child was omitted from the program for financial reasons.

The program committee established the following general objectives:

1. To recognize the value of our natural resources and to learn to use them wisely.
2. To increase our emphasis on science education and to give every student a chance to develop increased interest and knowledge in several areas of science.
3. To make classroom learnings more meaningful through application of knowledge to practical outdoor situations.
4. To learn to live democratically with other children and with adults through experiences in outdoor living.
5. To develop skills and interests in outdoor recreation which will carry over into later life.

The two sixth grades chosen were from East Frederick and North Frederick elementary schools. The principal criterion for selection was the enthusiasm and outdoor experience of the teachers.

The program for these pilot groups included such activities as crafts, collection making, a hike to the Foxville fire tower, a field trip to the coal hearth and iron furnace, a forestry project on tree planting, tree identification, watershed protection, erosion control, and fire prevention, a hike to Chimney Rock, a hike to Cunningham Falls with a luncheon cookout, fly-, bait-, and spin-casting demonstrations, fishing, and a hike to Owens Creek. The evening programs included square dancing, campfire programs planned by the children, and an illustrated lecture on birds and snakes of the area by the park naturalist.

From this pilot experience it was decided that an experimental program would be run for the school year 1957–58, to gain experience, try different sized groups, try several grade levels, look for the solution to the problem of leadership, and to explore as many program areas as possible. One of the principles agreed upon was that all participating teachers would be volunteers during this year, and that no teacher would be required to participate who might feel insecure in this type of situation.

During the summer of 1957, Janice Wickless, sixth grade teacher at North Frederick Elementary School, Thomas Fogle, a teacher of elementary physical education, and I, spent three weeks at the Gull Lake Biological Station of Michigan State University attending a workshop in outdoor education.

Leaders in outdoor education and school camping from 21 different States attended this workshop. This gave us a wonderful chance to discuss problems with experienced people and to visit several school camp facilities in Michigan. During and since this summer workshop, a "Guide for Teachers" has been developed for the use of teachers participating in the program.

During the fall of 1957 there were 8 classroom groups, including slightly more than 300 children, taking part in the program from September 23 to October 18. Jack Bubrick, a former teacher of physical education in Carroll County with a great deal of camp experience, was hired as camp director, and the three visiting teachers of elementary physical education were assigned to the outdoor school staff for the fall season. Frostburg State Teachers College cooperated in the development of a program by having their student teachers spend a week as cabin leaders at the camp as part of their student teaching requirement.

The program for the spring of 1958 calls for having 24 classroom groups attend the outdoor school between April 14 and June 6. In preparation for this camp session, in addition to the teachers guide, there is a detailed program supplement called the "Activity Program." This will include specific educational objectives in the areas of social living, health, work activities, outdoor recreation, nature interpretation and conservation, and related educational activities in such fields as math, science, social studies, language arts, music, art, dramatics, shop, and homemaking.

Also included will be detailed material on the camp program, a description of and suggestions for preparation for each activity and a section on evaluation. As part of the evaluation program, each class is scheduled for an evaluation session after supper each evening which is followed by a report to the entire camp group on the activities of the day.

Our long-range plans now call for all sixth grade groups in the county to participate in the program starting in the fall of 1958. This means that all sixth grade teachers in Frederick County will be expected to take part in the program next year. Because of the high percentage of teachers who are eager to participate in the project, this has not been nearly as great a problem as was anticipated.

Here are some principles which we felt to be especially important in relation to this program:

1. Emphasis is educational rather than recreational.

2. The program is a part of the regular school curriculum and the classroom teacher is the key to its effectiveness.

3. The camp activity program should not include things which can be done just as well in the classroom.

4. As much pupil-teacher planning as possible should be carried on.

5. Children learn best by doing.

6. Camping experience is highly motivating for children and this fact should be exploited.

Frederick County feels that this program has great educational potential, and that such things as conservation of natural resources, the natural sciences, democratic living, and the wholesome use of leisure can be taught most effectively in an outdoor setting such as that provided at the Frederick County Outdoor School. The great need to conserve natural resources, increased leisure, and the obvious need to increase emphasis on science education give educational implications of great significance to a project of this kind.

As for the children themselves, about whom all this activity revolves, how do they feel about it? They like it. One liked it because he "learned how to make my bed better and how to get along without my parents." Another "learned to eat foods I usually don't eat at home." Still another liked "having to wash when I want to," while the most encouraging comment came in answer to the question, "What did you like least about your camping experience?" The answer, "There was no least."

Needed: A National Alert

EXTENSION OF REMARKS
OF
HON. LISTER HILL
OF ALABAMA

IN THE SENATE OF THE UNITED STATES

Wednesday, September 27, 1961

Mr. HILL. Mr. President, there has been a good deal of discussion lately concerning the will and the determination of this country to employ its military strength in defense of freedom. In this connection, I would like to call to the attention of Members of Congress a letter from President Kennedy to the president of the Air Force Association, which was read to the delegates at the AFA convention in Philadelphia on September 22, and the statement of policy adopted by the association at the convention.

I ask unanimous consent to have these documents printed in the Appendix of the RECORD.

There being no objection, the documents were ordered to be printed in the RECORD, as follows:

NEEDED: A NATIONAL ALERT

(NOTE.—Following is the full text of the Air Force Association's 1961–62 statement of policy, as adopted by delegates to AFA's 15th annual convention, in Philadelphia, Pa., September 21, 1961.)

In this, our 15th anniversary year, with the Nation in grave peril, we respectfully acknowledge the heavy responsibility that weighs upon our new Commander in Chief—a burden that is his alone. And we are well aware that it is far easier to advise than to decide.

Nevertheless, we would be remiss in our duty as Americans were we not to state, particularly at this time, our deeply held beliefs, our aims, and our objectives. We offer them here, together with our pledge of personal effort and sacrifice to achieve them, in this 1961 statement of policy of the Air Force Association.

POWER EQUATION

If the record of 40 years of oppression, aggression, deceit, and duplicity had not already done so, events of the past several weeks have made it abundantly clear that the Soviet system—regardless of what form it may take at any given time in any given part of the world—is incompatible with the existence of freedom.

The cloak of coexistence no longer conceals Soviet aims. Communist intent and Communist power stand naked before the world. We must face the Soviet system with the only force it understands and respects—even stronger power, accompanied by the avowed determination to use this power if and when it is needed.

FREEDOM OR COMMUNISM

Mankind cannot exist indefinitely in a world that remains half slave and half free. Preservation of the status quo is not adequate as a national goal. Freedom must bury communism or be buried by communism.

Complete eradication of the Soviet system must be our national goal—our obligation to all free people—our promise of hope to all who are not free.

NATIONAL ALERT

To attain the level of national power needed in this crusade, the energies and talents of the American people must be mobilized on new terms. We therefore petition the President to declare a national alert—a new and higher level of national effort.

Such a declaration would establish a basis on which to build and maintain the power we need. It would make clear to the Soviets and to the world that we are determined to back our words with action, even at the risk of war—that we seek not merely to preserve our freedoms but to extend them.

A CREDIBLE DETERRENT

The overriding priority of the day must be the unquestioned credibility of our nuclear deterrent. This credibility has been undermined by Soviet confidence in its own rising strength and by Soviet belief that the United States is unwilling to engage in nuclear war in behalf of freedom.

MILITARY PROGRAMS

A credible deterrent will require accelerated military programs now and in the future. We consider the following to be basic:

Greater survivability for our striking forces.

Airborne alert for a substantial portion of the Strategic Air Command.

Expansion of our manned bomber programs, including rapid development and production of the B–70 as a high-priority weapon system.

Acceleration of our strategic missile programs in terms of numbers and effectiveness.

Improved intelligence and reconnaissance systems, both aeronautical and spaceborne, to obtain more information on Soviet capabilities and intentions, and to guard against suprise nuclear attack.

Greater reliability and survivability of the national command and control system, to reduce the chances of war by error, and to insure immediate, effective, and sustained employment of our forces.

Equipping of our aerospace defense system to counter the full spectrum of the Soviet aerospace threat as evidenced by Soviet progress in supersonic bombers, missiles, and manned spaceborne systems.

Increase of our ability to deter or promptly prevail in situations short of general war.

Accelerated research and development efforts to attain and maintain technological superiority in areas of our choice.

NATIONAL SPACE PROGRAM

Currently, our national space program gives priority to nonmilitary applications. It fails to recognize the important contributions that space systems must make to the extension of our military capability. This faulty emphasis must be reversed to utilize U.S. space technology as a prime factor in the international power equation. All phases of the national space program must first be measured against the yardstick of national security needs.

NUCLEAR EMPLOYMENT

National policy must make it abundantly clear that the United States will not hesitate to employ its nuclear strength in response to Soviet aggression—whether that aggression takes the form of nuclear attack, nonnuclear attack, nuclear blackmail, aggression by Soviet satellite nations, infiltration, or subversion—should the military situation dictate that use of nuclear weapons is in the best interest of the United States.

National policy must prescribe that the choice between nuclear and nonnuclear weapons is neither moral nor political but is essentially a military consideration. If this principle is not recognized as national

policy and firmly enunciated to the world, we are seriously compromising the effectiveness of our nucelar arsenal and thus increasing the danger of general conflict.

SURVIVAL OF THE PEOPLE

The national alert program must also insure the survival of the majority of the American people and the survival of viable government machinery in the event of general war. Needed measures include protection of individuals, military, and civilian, against blast, heat, and radiation—including fallout. They must provide for reestablishment of the national social and economic fabric following a general war.

THE ONLY INSURANCE

The ability to fight, win, and purposefully survive a general nuclear war provides the best, indeed the only, insurance against such an eventuality. We must be willing and able to risk war, and make sure that both our willingness and ability are firmly implanted in the minds of the Soviet leaders. Only from such a position can we then apply economic, diplomatic, technological, and other pressures against the Soviets.

To those who say that today such a position cannot be sustained, that deterrent credibility cannot be achieved, that it deteriorates into a stalemate of bluff—to these arguments we reply: "Your stalemate philosophy is a philosophy of despair and defeat. Its acceptance by the United States would, in itself, break the stalemate in a psychological sense—and in favor of the Soviets. World leadership would automatically revert to the loudest rocket rattler. Initiative would pass to the aggressor."

The President has said, "We must never negotiate through fear. But we must never fear to negotiate." In turn, we must never fear to refuse to negotiate that which is not negotiable. We must never compromise basic principles. We must never appease.

TECHNOLOGICAL REALITIES

The stalemate philosophy ignores the realities of technological progress. The advent of nuclear weapons has changed the international power equation. But technology also can wipe out equations and write new ones. It has done so in the past.

There is no reason to believe that nuclear weapons, no matter how they may increase in numbers and ferocity, mark the end of the line in military systems development. New weapons, more selective in application and less destructive of life and property, may come into being. Their possession by one side and not the other could surely break a nuclear stalemate in a dramatic fashion. Thus, the search for new and advanced systems must have a high priority in our military research and development effort.

THE PEOPLE ARE READY

We believe that events in this fall of 1961 have convinced the American people, if any were unconvinced before, that Soviet aims are both evil and implacable. We believe the people are willing and eager to respond to whatever level of effort may be required of them, if the need is made truly clear. We are convinced that the people are ready to work toward, and fight for if necessary, the elimination of communism from the world scene.

Let the issue be joined.

PRESIDENT KENNEDY'S MESSAGE TO AFA

THE WHITE HOUSE, *September 15, 1961.*

DEAR MR. STACK: While it will not be possible for me to be present, please convey my warm greetings to all attending the 15th annual convention of the Air Force Association, and assure them of my deep interest in the proceedings. The subjects under discussion are of major significance in helping to safeguard our ideals and way of life in this age of international tension and change.

I know that many members of the association, veterans of earlier service to our country, meet this year in the full knowledge that their services may be required again. I am confident that, if the need should arise, they will respond in the same spirit of devotion to national security and international justice that has moved the Air Force Association since its inception a decade and a half ago as a citizens' organization dedicated to adequate airpower as a necessary adjunct to world peace and national survival.

In the years that have passed since your founding, airpower has become aerospace power and both its capabilities and responsibilities have taken a quantum jump. Technology has shrunk the world while the ferocity of modern weapons have multiplied manifold. The forces of nature, unleashed by scientific progress, unfortunately know no ideology. They serve those who would enslave the world as well as those who would make it free.

Thus we face, in the short run and the long, a wide range of military and diplomatic challenges by a strong and determined adversary. We must be prepared to respond to these challenges across a wide spectrum of military capability, taking full advantage of the flexibility and effectiveness of modern weaponry to deter aggression, but also, if necessary, to fight and win against it. In this great effort our Air Force will, as it has in the past, play a vital role.

This is the basis of our military doctrine in a difficult decade and I welcome the continued support of the Air Force Association in the strengthening of the forces required to achieve it.

Sincerely yours,

JOHN F. KENNEDY.

Let's Back Fight for Freedom in Red Area, Too

EXTENSION OF REMARKS

OF

HON. THOMAS J. DODD

OF CONNECTICUT

IN THE SENATE OF THE UNITED STATES

Wednesday, September 27, 1961

Mr. DODD. Mr. President, Brig. Gen. Frank L. Howley, U.S. Army, retired, former U.S. Commander in Chief of Military Government in Berlin during the 1948–49 blockade, was one of the several remarkably able commanders who has represented the United States in Berlin. During his Berlin tour of duty, Brigadier General Howley spent some 1,600 hours with the Russians at the conference table. The record shows that he won from them some 1,300 agreements on matters ranging from dog licenses to the establishment of a central bank.

General Howley's formula for success in dealing with the Communists was stated in these words:

Recognize that Communists are liars and swindlers and cutthroats, and treat them as such.

Mr. President, because of his unique qualifications, I believe we should all pay attention when General Howley speaks about the problem of Berlin. I therefore ask unanimous consent to have inserted in the Appendix of the RECORD a copy of an article by Brigadier General Howley which is every whit as pertinent today as it was on its date of publication, August 18, 1961, in the Philadelphia Evening Bulletin.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

MAN ON SPOT IN 1948 BERLIN CRISIS SAYS: "LET'S BACK FIGHT FOR FREEDOM IN RED AREA TOO"

(By Frank Howley, vice president, New York University; former head of American Military Government in Berlin)

Here we go again. This time it is Berlin—but this is only part of the same old operation which has been clobbering us from one end of the world to the other. If anyone has any doubt that our defensive policy against Soviet machinations has failed, this is another proof.

We simply cannot survive on a basis of defending ourselves against Soviet attacks in places of their choice and at times of their selection.

What is happening in Berlin now is a repetition of what happened in Berlin when I was there in 1947, leading up to the blockade of Berlin in 1948. The main difference is that the Soviets, having succeeded then in blockading Berlin, have had 12 years of continued success against us in other parts of the world. They are being swept along by their repeated victories over us.

In Berlin right now they have simply shifted from the diplomatic to the physical. Khrushchev found that at the United Nations he could not have his way even after his rude behavior. The United Nations continues with the same President. Khrushchev found that by negotiation, he was not succeeding in the disarmament conferences because we would not throw away our security. He found that the atomic testing discussions were not giving him what he wanted.

So, he shifts his emphasis from negotiation to physical efforts to gain control of Berlin. He fully expects to succeed as he has succeeded in the past.

REDS LOST, BUT WON

It must be remembered that the hunger blockade imposed upon the people of Berlin in 1948–1949 was, from the Soviet point of view, though not a total success, still a success.

We were the ones who lost 72 lives. We were the ones who spent a billion dollars, and ended up with the Soviets holding complete control of one-third of the city of Berlin, despite the international agreements which had specified that the city be administered as a whole by all four powers.

This third of the city, now controlled ruthlessly by the Soviets—now harasses the other two-thirds.

In Berlin now comes, as it has in other places, first, propaganda; then, step by step, the use of force against the people. The Communists will try not to give the Western powers sufficient basis for an all-out effort against them. That will only come from miscalculation, if it comes at all.

On the propaganda front it is Khrushchev who is screaming that Berlin is a bone in his throat. It is we who should have been screaming, during the past years, that the Soviet troops and the Soviet Communist stooges, imposed upon East Berlin and East Germany, constitute an outrageous violation of solemn agreements.

I anticipate that next harassment of Germans will come by way of shipping clearance papers. A few years ago we permitted the Soviets to compel the use of such papers. All trucking being shipped in and out of Berlin must receive these clearance papers from the nonrecognized East German government.

When this power to control German traffic in and out of the highways, railroads and canals was put into effect by the So-

viets, I reported to higher authority that this would be the means of the next blockade of Berlin—a subtle blockade.

THEY HOLD WEAPONS

It still can be done. The economic miracle of West Berlin can be brought down to a crawling economy of unemployment, if the East German Government adopts the simple policy of delaying the approval of these clearance papers. Without them no truck, barge, or train of the West Berliners can move in or out of the city.

I believe that the Communist stooge government of East Berlin and East Germany will not blockade the Western exit and entrance; or at least will not block the Western Powers from access to and from the city. Instead they will hurt the Berliners while giving us no excuse for major retaliation. They will continue, however, to nip away our rights until we have few or no rights left in the city. This is the pattern they have employed in Berlin in the past, and all over the world against us.

From our point of view there is no answer to the Berlin question short of the answer to the German question.

The Russians must be made to live up to their agreement to hold free elections in East Germany as well as West Germany. These elections must be under supervision and be based on a constitution for the entire country. Such elections must be free, otherwise they can be simply a means of turning over the entire country to Communist control. The U.S.S.R. agreed at Potsdam in 1945 to such elections. They have never lived up to their word.

There is a real danger that, in our desire to negotiate, we will forget basic principles and agree to some makeshift arrangement that will be entirely favorable to the future control of Germany by the Communists.

PERILOUS BARGAIN

The Soviets would probably be willing to consider a common government for all of Germany with Berlin as its capital, if we would permit them to run their own elections in Communist-controlled East Berlin and East Germany—elections which would be handled without any outside supervision.

This would mean 100-percent representation by Communists for East Germany. Despite the difference in population of 16 million in East Germany under Soviet control, and close to 50 million in the Western areas, the Soviets probably would demand equal representation in the common congress for all of Germany.

They might settle for one-third control of all of Germany—providing they could continue to control completely their Eastern Zone of Germany. This would give them a representation in the German Government; a representation greater than they had in Czechoslovakia when they successfully overthrew the legitimate Government by making use of their one-third control.

If we agree to this, the Soviets will use East Germany as a weapon to beat us out of the rest of Germany. We set the precedent for such an idea by going to Paris after the blockade of Berlin was lifted and agreeing to a status quo which meant that the Soviets would take out of common control one-third of the city of Berlin. At that time the Soviets tried to reestablish their share of control over the two-thirds of Berlin, occupied by Britain, France, and the United States. I blocked this move.

JUST STEP 1

The steps being taken now by the Communist East German Government in blocking the accesses to West Berlin are, at present, applied only to Germans of East Germany and of East Berlin. This is step 1. Before the blockade of 1948, step 1 was to interfere with the comparatively small traffic of the United States, Britain, and France from Berlin to the West. A month or so after we meekly allowed them to do this, they imposed on the 2.5 million Germans of West Berlin the total hunger blockade which is so well known to all of us.

In dealing with the Soviets it is not enough to carry a big stick and speak quietly. We must carry a big stick and roar. The Soviets understand no other language. The British habit of quiet understatement is a real danger in dealing with the Soviets. Soviets are loudmouths. They scream. They understand the same language in reply. A gentle answer misleads them as to our determination.

The great danger today in dealing with the Soviets is the danger that they will overestimate their power and their ability to get away with another crime. They have good reason to believe they can get away with crimes against us. They successfully got away with the Berlin blockade and even when defeated by our airlift, ended up with more control than they had before.

After we had gone with Mr. Jessup to Paris and agreed to the lifting of the blockade on the basis of "let bygones be bygones," I reported publicly that, the Soviets having successfully gotten away with this crime against humanity would try again to gain by force that which they were unable to gain politically.

The next try was Korea where the Soviets almost succeeded in gaining complete control of the entire country. As it was they ended up with control of half of the country.

WORLDWIDE PLAN

From Korea the Soviets moved to Indochina where they provoked a civil war and had their Chinese Communist allies support the destruction of our friends in Indochina. Finally they settled for half of the country, now known as North Vietnam, from which they are even now harassing South Vietnam and are causing trouble in the neighboring country of Laos, ably supported by supplies (including guns) dropped from Russian planes.

The Soviet plan in the former Belgian Congo went astray. The Soviets, even though their stooge Lumumba is dead, have now got a very good representative in Gizenga and have control of the Stanleyville area, plus a big representation in the present chaotic government at Leopoldville. So, the Communists are making progress.

Next on their agenda is Portuguese Angola, south of the Congo River.

I have just returned from Angola where I found the Portuguese doing more for the poor people of Angola than most of the countries which have voted at U.N. to criticize Portugal's colonial policy.

WE DON'T LEARN

It's pointless to go on with the pros and cons in the many things which have been discussed and tried. We never seem to learn. We learned nothing from Laos, Indochina, nor from past Berlin experience. Being goodhearted, we have become the international boobs of all time.

It's high time that our Government, whether Republican or Democrat, begins to think in terms of the interest of the American people and begins to think in terms of reality. Work that can be done better by missionaries should be done by missionaries, not attempted by hypocritical politicians. International work that can be done better by private enterprise should be done by private industry. The international gangster operations of the Soviets should be called that and should be recognized as such.

We should stop misleading our own youth by giving respect to the Soviets; respect which they derive from international bodies devoted to truth and peace. For the Soviets to participate in the United Nations or for us to even consider the entrance of Red China is to deny the very foundation upon which the United Nations is built.

WOULD BACK REVOLTS

It's high time we indicate a belief in freedom. We are the ones who should be supporting revolutions all over the world—revolutions against tyranny and slavery, and not against only our friends. The best place to start is in Berlin and Germany—right now. After that, can come Hungary, the Balkans, and the Baltic nations. Yet, when the freedom fighters of Hungary rose up and set up their own government we couldn't deny them fast enough; we couldn't assure the Soviets quickly enough that we had no hand in the revolution.

Let's, in the future, support these revolutions and encourage them publicly. Let us encourage them to fight for their freedom. There is no better place to start where people are willing to fight for their freedom, than in Berlin and in Germany—right now.

That the Soviets recognize this is indicated by their transfer of their Communist Marshal Konev to command the troops there.

This command shift is not to be against the West, though full propaganda is made of that idea. It is to put down an anticipated uprising of the German people against their slavery. If it does happen again, let's help these people to fight Soviet tanks and the Communist rulers with something other than stones which is what they had last time.

Let's, for a while, stop giving the smile technique to the enemy. Let's stop promising him that we won't hit him—we've paid a high price for our spirits of Camp David and for our spirits of Geneva. Thanks to our assuring the Soviets that under no circumstances will we fight, they have been able to concentrate not on building bases all over the world to defend themselves, but upon gaining great advantage by sending men into space. Meanwhile, we have had to defend ourselves at costs of billions of dollars against a possible attack from the Soviet Union. Let's let them be a little uncertain for a while as to our intention—let's have them spend some real money and effort on defense. We can outlast them if we run by the same rules.

President Kennedy has made a step in the right direction. At least he is speaking with a firmness which represents the American people. Let's pray that our actions continue to be as firm as our words.

What To Do About Red China

EXTENSION OF REMARKS

OF

HON. BARRY GOLDWATER

OF ARIZONA

IN THE SENATE OF THE UNITED STATES

Wednesday, September 27, 1961

Mr. GOLDWATER. Mr. President, in This Week magazine of September 17, I wrote an article entitled "What to Do About Red China." It outlined the reasons why our policy as a nation should be one of opposing the admission of Red China to the United Nations. And it went further and suggested that if the admission of Red China is ever voted by the United Nations the United States should suspend its political and financial support of the U.N. Since publication of the article, I am advised that This Week magazine has received over 100,000 communications from readers supporting my contention that Red China should be kept out of the world organization. I ask unanimous consent that the article

from This Week magazine be printed in the Appendix of the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

WHAT TO DO ABOUT RED CHINA

(By Senator BARRY GOLDWATER)

(As the U.N. again weighs the admission of Red China, millions of words will fill the General Assembly. This Senator believes the best U.S. policy can be put into just two words—"Say No.")

WASHINGTON, D.C.—In the affairs of nations, the time inevitably comes to take strong action. Such a time is here. The Communists are moving on many fronts, among them the United Nations.

The Communist strategy is to undermine our position in the Far East by insinuating Red China into the United Nations. Supporters of that maneuver tell us they have the votes in the United Nations General Assembly to do it, that in the next week or two Red China will have been afforded a seat.

Now is the time for us to act, and my proposal is that the United States declare that if the United Nations votes to admit Red China, our Government will, from that moment until the action is revoked, suspend its political and financial support of the United Nations.

NO PEACE WITHOUT LIBERTY

Let us never forget that we support the United Nations not because it is an international organization—but because the United Nations was created to serve great human ends. Those ends are liberty and peace. We do not want peace if, to have it, we must forego our liberty. And our liberty is imperiled if we cannot have peace. If free China's base in the Far East were undermined, the United Nations would also be an instrument for undermining liberty. It would endanger world peace if the anti-Communist alliance were to be weakened, thus encouraging the Communists in their aggressiveness. In these events, the United Nations would not be supporting the aims it was conceived to support.

It follows that, in the interest of the very goals the United Ntaions was designed to serve, the United States must use every pressure at its disposal to redirect the United Nations back to the great aims stated in its charter. The procedures of the United Nations are no substitute for our own policy.

Our policy is to preserve our freedom. The United Nations helps or hinders that policy according to the decisions it makes. If it makes decisions that militate against its own original purpose, it is no longer useful.

It is objected: But what if every nation decided to boycott the United Nations every time the General Assembly took a move of which it disapproved? Wouldn't that mean the end of the United Nations? The answer is this, and let us not avoid stating it simply: The United States is not just every nation.

Providence has imposed upon us the task of leading the free world's fight to stay free. Ours are the principal decisions to make, and we must make them with reference to the enduring interests of the free world, even if they are not so recognized by all members of the free world. There would not tomorrow be a free country in the world if the United States were to lose its independence of action in this time of crisis.

Only by exercising that independence of action, even in so drastic a way as I now propose, do we continue to discharge our duty as leader and most powerful member of the free community of nations. By refusing to use the resources at our disposal, we forfeit our strength, and weaken our cause.

The Soviet Union often talks about boycotting the United Nations. In fact, it has not done so—but would freely do so exactly at that moment when withdrawal could be shown to advance the fortunes of the Soviet revolution. It is every nation's sovereign right to withdraw from an international body. But the point is to exercise that right, not as the Soviet Union might, but as a nation must if its vital interests are at stake.

THE USES OF POWER

The United States should never use its power cynically, or triflingly. We must never use the United Nations for any petty nationalistic enterprise. We do not seek to transform the United Nations into the servant of our frivolous national interest. We are willing to abide by majority votes on matters that do not involve the national security or the impoverishment of a vital ally But when the United Nations by a majority vote seriously weakens the international structure of our resistance, as would be done if the Republic of China's claim to the legitimate governorship of mainland China were undermined, we cannot afford to acquiesce simply out of a regard for the United Nations bylaws. This is the moment where policy must transcend mere parliamentary procedure.

Fortunately, it is inconceivable that the United Nations would admit Red China if the United States took an unrelenting policy of opposition. We have taken such a policy in the past and year after year, Red China lost her bid to batter her way in. Why is the situation different this year from last? What has changed?

Has Red China become more civilized? The evidence to the contrary is striking—reports from the mainland are of the worst misery from starvation and repression in the entire history of China.

Has Red China become so strong now that we cannot afford to exclude her? The columnist Joseph Alsop, a close student of Far Eastern developments, reports, and in this others concur, that the Government of Red China may be in a more difficult position now than at any time in its 12-year history. This is precisely because of the costly and tragic blunders of the lustful ideologists who have so wrecked the nation's economy and morale.

Is opposition to Red China weaker in the Far East now than last year? On the contrary it is stronger. The swarm of refugees from Red China have carried the word of misery under Communist totalitarianism to every corner of Asia. By contrast, Formosa's economy is thriving. Land redistribution has brought a wide ownership of property. The morale of its armed forces is at an all-time high.

Why, then, should we be worrying this year about the outcome of the forthcoming debate? In part it is because of the admission over the past year of a dozen or so African nations whose foreign policy is oriented toward Moscow's, owing to a residual bitterness against the colonialist policies of the West, and other factors. But if we are deeply convinced of the soundness of our Far Eastern policy, are we prepared to allow a dozen African states to change the course of foreign affairs?

If we were truly resolved to have our way on China, we could, of course, win the votes of the African states. We could approach them in terms they understand. And we could show them that the greatest colonialism ever effected, anywhere, is that of communism in China. If the President's team worked as hard to get the votes of the African members as it worked to get the votes of the Democratic delegates in Los Angeles, we could sit back secure in our conviction that the Communists will not prevail in the United Nations.

The important change of the past year, obviously, has been the weakness of the present administration in the field of foreign affairs—whether in Cuba, in Laos, in Outer Mongolia, or in the United Nations. Instead of showing resolution, what has our Government done? Our Ambassador to the United Nations, Mr. Adlai Stevenson, said in January that it was perhaps "inevitable" that Red China should be recognized. Many of the men who surround the President have long been accused of policies of appeasement toward Red China.

A TRIAL BALLOON

In June the White House floated a trial balloon in the New York Times, suggesting that we were prepared to offer a seat to Red China—because we were confident she would refuse it unless we simultaneously ejected the government of Nationalist China. And this, clearly, we were not prepared to do. The effect of that maneuver was to go a long way in collapsing the entire edifice of arguments, strategic, and moral, by which over the years the Government had painstakingly constructed the absolute case against admitting Red China under any circumstances.

In July a second trial balloon was floated to the effect that by recognizing Outer Mongolia our Government hoped to appease the forces clamoring for recognition of Red China.

Such a policy of appeasement and militant indecisiveness has thrown despair into the ranks of our closest allies. Our friends no longer know just exactly what the intentions of the United State are. It is on such confusion and indecision that communism thrives.

But the situation is not irreparable, and there is evidence in the past few weeks that the back of the United States is stiffening. It is not too late. The answer to the forces of appeasement in the United Nations in the forthcoming debate is a simple one. It can be expressed in just two words of one syllable each: Say no. We cannot cooperate in a venture of self-destruction.

The United States has—right now—the power to prevent the United Nations from becoming an instrument of Soviet foreign policy. We are the guardians of the ideals which the United Nations was formed to serve. A loyalty to those ideals requires that we work to save the United Nations by refusing to cooperate with it for so long as it betrays those ideals.

The true friends of international peace and freedom everywhere, including millions upon millions of Asiatics, will look upon us with gratitude and confidence if we will just say no—and prove we mean it.

Problems of Small Retail Grocers in Mountain Towns

EXTENSION OF REMARKS

OF

HON. JOHN A. CARROLL

OF COLORADO

IN THE SENATE OF THE UNITED STATES

Wednesday, September 27, 1961

Mr. CARROLL. Mr. President, during the last session the Senate passed S. 1037, relating to practices in the marketing of perishable agricultural products.

I had informed the Democratic policy committee that I had an interest in this bill and I hoped to be on the floor at the time it would be called up for action. Unfortunately, it was motioned up toward the end of the session and passed without debate. I had intended to make a few remarks on the Perishable Agricultural Commodities Act at that time.

Happily, certain objectionable features of the original proposed legislation

were removed in the Agriculture Committee.

However, it seems that further study of the PACA is justified in view of certain unusual conditions affecting small independent retail grocers in the Rocky Mountain West.

Retail grocers who are isolated in small mountain towns in Colorado, far from their wholesale sources, are discriminated against under the regulations promulgated by the Department of Agriculture under the PACA. The regulations affect mountain-town grocers in a manner not affecting their bigger brothers in the large cities of the West where wholesale supplies are warehoused within a few miles.

I asked the Associated Grocers of Colorado to explain in a memorandum exactly how the PACA regulations discriminate against the smalltown retail grocer. I intend to present this memorandum to the House Agriculture Committee in hearings next year.

In the meantime, Mr. President, so that other western Senators may have an opportunity to become acquainted with this problem of the smalltown retail grocer, I ask unanimous consent that the memorandum, prepared by Mr. Richard Means, be printed in the RECORD.

There being no objection, the memorandum was ordered to be printed in the RECORD, as follows:

MEMORANDUM BY RICHARD MEANS, ASSOCIATED GROCERS OF COLORADO

The Perishable Agricultural Commodities Act supervised by the U.S. Department of Agriculture is a matter which has given us great and continued concern.

The law itself refers to different categories of business including commissioned merchants, wholesalers, etc., but the only classification which concerns the independent merchant is that of "dealer" as described in paragraph 6. The term "dealer" means any person engaged in the business of buying or selling in carloads, any perishable agricultural commodity in interstate or foreign commerce, except that (A) * * * (B) "no person buying any such commodity solely for sale at retail shall be considered as a 'dealer' in respect of any such commodity in any calendar year, unless his purchase of such commodity in carloads in such year are in excess of 20."

The title of the act, is important: "An act to suppress unfair and fraudulent practices in the marketing of perishable agricultural commodities in interstate commerce * * *."

The Secretary of Agriculture, through his service and regulatory announcement No. 121, has attempted to change the law by regulation No. 46–2(n):

"Wholesale or jobbing quantities" as used in section 1(6) of the act, means quantities of produce of not less than 1 ton in weight per day * * *."

The application blank forwarded to independent retail grocers on page 4 thereof entitled "Licensing Provisions of the Perishable Agricultural Commodities Act, 1930, as amended":

"3. 'Dealer' is defined to include:

"(a) * * *.

"(b) 'Retailers' (selling to consumers only), when they purchase fresh or frozen fruits and/or vegetables in quantities aggregating a ton or more during any day, or single transactions totaling a ton or more in the course of interstate or foreign commerce, and have such transactions in excess of 20 times during a calendar year."

We have always contended that the Secretary of Agriculture did not have the right to adopt a regulation and thereby change a law passed by the Congress.

Our interpretation of paragraph (8) of the act convinces us that the purchase of a carload lot of produce by Associated Grocers and by it distributed to its member retail food merchants, with its own trucks, should and does thereby eliminate the retailer from being required to take a license under the act. The transits in interstate commerce are ended when such food products are bought and paid for by Associated Grocers.

Recently, the National Association of Retail Grocers, through its general counsel, Henry Bison, Jr., and National Food Brokers Association through its president, Watson Rogers, have suggested to the Senate Agriculture Committee that the PACA be amended to carry a provision exempting food retailers who buy 90 percent or more of their fresh and frozen fruits and vegetables from one or more wholesalers who are licensed under this law.

The PACA was passed by the Congress, not for the purpose of including retailers who sell to consumers but, for the express purpose of protecting shippers, sellers and, of course, buyers, who sell in carload lots in interstate commerce.

The independent grocer in Colorado does not buy and hold any carload lots because he is not equipped to handle produce in carloads such as a 60,000-pound (30 tons) refrigerated rail car. The ordinary retailer buys from a wholesaler, but there is no question but what the wholesaler must apply for and pay the fee for a PACA license.

Associated Grocers of Colorado, with a membership of retail grocers within the State numbering in excess of 500, supplies produce to those independent merchants. We pay a license fee because we buy in carload lots. We act as a wholesaler and have privity of contract with a shipper, producer, or seller.

The independent retail store has no privity of contract with the producer or shipper because he buys directly from us. If he found bad merchandise or had any other objection relative to the purchase of perishable commodities, his recourse would be to Associated Grocers because he could not claim against the producer, the shipper, or other business who might sell to Associated Grocers. Therefore, he has no benefit from the law and no need for it.

For these reasons, every retail food merchant within the State of Colorado who does not buy in carload lots or who would buy 90 percent or more of his requirements from a wholesaler who is licensed under the law, should be exempt from the provisions of the regulation of the Secretary of Agriculture and should not be required to pay a $25 annual fee.

Shooting From the Hip

EXTENSION OF REMARKS

OF

HON. THOMAS J. DODD

OF CONNECTICUT

IN THE SENATE OF THE UNITED STATES

Wednesday, September 27, 1961

Mr. DODD. Mr. President, on September 8 I made a speech on the floor of the Senate in rebuttal to an address delivered by Dr. Ralph K. White, Chief of the Soviet Bloc Division of USIA's Office of Research and Analysis.

On September 15 the Washington Post printed an editorial critical of my speech and on September 16, the Post printed my answer to the editorial.

I ask unanimous consent that the text of the editorial and my reply be printed in the Appendix of the RECORD.

There being no objection, the editorial and reply were ordered to be printed in the RECORD, as follows:

[From the Washington Post, Sept. 15, 1961]

SHOOTING FROM THE HIP

After a succession of fumbling and amateur efforts to impersonate the late Joe McCarthy, Senator THOMAS J. DODD has at last achieved success. Last Friday he called for a congressional investigation of the U.S. Information Agency and asked it to dismiss forthwith Ralph K. White, one of its Russian affairs specialists—all because Dr. White had expressed in a speech to the American Psychological Association some provocative ideas about the Soviet Union of which the Senator did not wholly approve.

Dr. White's principal thesis was that there exists a "mirror-image" relationship between Soviet thinking and American thinking—a relationship in which there are striking similarities except that, "what was black and white in the American image system is white and black in the Soviet image system, just as, in a mirror, what was left and right appears as right and left. He thinks that the misconceptions on either side constitute a danger and he urged his fellow psychologists to cultivate an attitude, "best characterized as tough-minded empathy, or empathic tough mindedness—not a sneaking sympathy for the Communist cause but a realistic, imaginative understanding of how the whole world looks from a Communist point of view, as a preliminary to a critical dissection of that point of view.

Now, one may agree or disagree with this diagnosis. But surely it reflects an opinion clearly within the range of Dr. White's professional competence, clearly consistent with the aims of the Agency in which he holds a responsible position and clearly reflective of devotion to the interests of the United States. Why, then, should Senator DODD denounce it in so unbridled a way and say that if USIA leaders share White's approach, "this entire agency must be either cleaned up or dismantled."

We suggest a possible explanation—that the Senator never saw the speech itself but shot from the hip on hearing or reading an account of it. We rather think that if the Senator were to read the speech in its entirety with some care, he would find very little fault with it. For, in sober truth, it is an honest attempt to provide a measure of that realism which, as Dr. White says, we desperately need "if we are to win either our ideological battle against communism or the joint battle that we and the Communists are waging against mutual suicide."

In his illuminating study of the relations between Russia and the West under Lenin and Stalin, George Kennan concludes that the misunderstandings and errors of judgment at the end of World War I resulted in large part from "the inadequacy of the information at the disposal of the allied governments." He offered an astringent observation:

"Sometimes I think it might be made a maxim of democratic statesmanship in difficult situations to seek its information, however distasteful this might be, from the study of its enemies rather than from the consultation of its friends."

[From the Washington Post, Sept. 16, 1961]

SHOOTING FROM THE HIP

Your editorial of September 15 is a further example of the continued indulgence by the Washington Post in what it likes to call McCarthyism when practiced by others.

My Senate speech about the recent address of Dr. Ralph K. White, Chief of the Soviet Bloc Division of USIA's Office of Research and Analysis, referred to a dozen or more specific statements of Dr. White and made specific criticisms of those statements. The Washington Post ignores all this and picks out a rather routine and noncontroversial thesis of Dr. White's, pretending that this was the object of my critique.

Few will argue with Dr. White's contention that we must try to gain "a realistic, imaginative understanding of how the world looks from a Communist point of view." While this idea may seem novel and exciting to Dr. White and your paper, it is basic to anyone who concerns himself with the cold war. What I did object to in Dr. White's speech, I spelled out clearly; and since your editorial chose to ignore these specific criticisms, I shall restate them now.

Dr. White contends that Soviet aggression in Berlin and around the world originates partly in defensive fear and in a sincere desire to stabilize the cold war conflict; that we are too inclined to look upon Communist leaders as villains; that we overestimate their evil; that we should not dismiss the words of Soviet leaders as lies because most of the time "what they say is close to what they really think."

White leaves a clear implication that differences in the relative moral standing between Soviet Russia and the United States are only of degree and he lists our U–2 flights and our attempt to help Cuban freedom fighters as proofs that we are not unlike the Reds. And throughout his remarks, he indicates that the Russian people have the same basic outlook and attitude as their Communist leaders.

If these views were the speculations of some obscure academician talking to his fellows, they would still be subject to the give and take of criticism. But when they come from the man who is charged with advising the USIA on the best means of bringing the American message to the world with respect to the Soviet Union, then this is a matter which calls either for the dismissal of Dr. White or the announcement by our Government that it has rejected the basic premises upon which our postwar policy of resistance to Communist aggression has been based.

My criticisms of Dr. White's remarks, briefly stated, are as follows:

Communist aggression in Berlin and around the world is based not on their legitimate or even imagined fears of the free world but on their oft-expressed intention to bury the free world and subjugate it to communism.

We are not inclined to overestimate the evil of the Communists; we are inclined to underestimate it. How can you exaggerate the evil of men who have murdered 20 million of their own people, who have enslaved hundreds of millions of others, who have destroyed the independence and national life of a dozen nations, who have systematically committed every form of villainy known to man?

Soviet leaders are not saying what they really think. Their approach to their own people and to the rest of the world is one of calculated deceit. Thus, they have broken more than 1,000 treaties solemnly agreed to; they have deliberately lied about germ warfare in Korea, about alleged U.S. aggression all over the world, and about disarmament. They lie consciously and deliberately every day of every week of every month of every year.

We need not condemn our country for either the U–2 flights or for the assistance to the Cuban freedom fighters. The one was a necessary action to protect ourselves from surprise attack, the other was a fulfillment of a moral obligation to help a once-free people liberate themselves from a Communist dictatorship, sustained in power by Communist arms.

Finally, my belief, contrary to that of Dr. White, is that the Russian people and all peoples enslaved by communism do not share the same outlook and beliefs as their enslavers.

Thus, the incredible defection of several million Russian troops to the Nazis during World War II, the exodus from East Germany, the mass defection of Soviet troops to the side of freedom during the Hungarian uprising, the multi-billion-dollar jamming program by which the Communists prevent news from getting to their people, the most highly developed system of terror in history that would certainly not be necessary if, as Dr. White alleges, the Soviet people shared the attitudes of their masters.

This was the substance of my speech, all the particulars of which the Washington Post chose to omit in its critical editorial.

As for your assumption that I did not read the complete White text, I wish to assure you that I read it carefully, just as I am sure you read it carefully.

The essential difference between you and me is that you share these theories of Dr. White and I reject them. This is the real basis for your continuing attacks upon me. Since you decided to ridicule my views, it would have been more manful to debate them openly, point by point, rather than make a sneak, hit-and-run attack with a dose of innuendo and personal vilification, which ducked all the vital questions involved.

THOMAS J. DODD,
Senator from Connecticut.

REA Administrator Norman Clapp Reports on Recent Developments in Rural Electrification

EXTENSION OF REMARKS
OF
HON. WILLIAM PROXMIRE
OF WISCONSIN
IN THE SENATE OF THE UNITED STATES
Wednesday, September 27, 1961

Mr. PROXMIRE. Mr. President, one of the most outstanding appointments of the Kennedy administration to date was the selection of Norman Clapp, of Wisconsin, as Administrator of the Rural Electrification Administration.

This able and dedicated administrator has been hard at work as head of REA since early this year and is currently reporting personally to the regional meetings of the National Rural Electric Cooperative Association on the problems and progress of the program.

His excellent report is worthy of note by all who are interested in the REA program. Mr. President, I ask unanimous consent that his report be printed in the Appendix of the RECORD.

There being no objection, the report was ordered to be printed in the Appendix of the RECORD, as follows:

REMARKS OF NORMAN M. CLAPP, ADMINISTRATOR, RURAL ELECTRIFICATION ADMINISTRATION, BEFORE THE 1961 REGIONAL MEETINGS OF THE NATIONAL RURAL ELECTRIC COOPERATIVE ASSOCIATION

It is fitting and proper, I think, that we have the opportunity at this point to get together to discuss the problems that face the rural electrification program.

During the months since I became REA Administrator, it has been my privilege to meet with many of you. I have visited many of your systems, I have spoken at a number of your annual meetings, and I have addressed a number of your statewide and G. & T. meetings. Both in my office in Washington and in your home communities. I have had the chance to discuss in detail with many of you your individual problems.

I have been increasingly impressed with the sense of purpose and the high degree of unity which has characterized your work both locally and between systems on a broad basis. This unity is forcefully demonstrated through the National Rural Electric Cooperative Association. Through NRECA, you have built for yourselves an aggressive, well-managed national association that has proved to be not only a bulwark of strength against the attacks of those whoe philosophies and goals conflict with your objectives, but also a source of dynamic leadership in moving this program forward to fulfill its great purposes for rural America.

I want to pay personal tribute to your able president, R. A. Yarbrough, your board of directors, your distinguished general manager, Clyde Ellis, and your dedicated staff. I hope you realize the importance of the job NRECA, Clyde Ellis, and your staff have been doing. The fact that the rural electrification program weathered the political storms of the period from 1953 to 1961 without suffering more damage than it did, I am sure, can be attributed in great measure to the effectiveness of NRECA as a fighting spokesman for nearly 5 million rural consumers served by more than 900 cooperative systems.

I am here today to tell you frankly, perhaps bluntly, that the battles are not all over. I am here to talk with you about the "Crisis in Rural Electrification," and I can assure you we are facing a crisis in rural electrification which may very well determine the ultimate fate of the cooperative systems you have worked so hard to build.

Because it is a crisis, because we do face some showdown battles ahead, it is all the more fitting and proper that I come to talk to you, for you are the veterans who have been through the fire of conflict, know the opposition, and know the cause for which you are striving.

To properly understand the significance of present controversy over the REA program, it is necessary to go back to 1935 and review how this program developed. The REA approach to the urgent need of rural electrification was not completely worked out in advance either by the framers of the act, or in its earliest administration. The present form of the program was molded, like so many other great developments in this Nation's history, by the force of events.

In 1935, with only about 1 farm in 10 favored with central station electric service, the Congress recognized a need for a new approach to electrifying rural America. While those who framed and sponsored this legislation clearly provided an avenue through which rural people could do the job themselves, this was only one of several avenues of approach provided by the act.

There were many active leaders in the struggle for rural electrification who assumed and believed that the power companies themselves would do the job. After all, they were already in the business, they had the know-how, and they called themselves public service organizations. Give them long-term Government loan funds at low interest rates to serve the unserved rural areas, it was believed, and they would go to work.

Power companies were—and still are—eligible for REA loans. The entire first year of this program was a year during which the first Administrator, Morris Cooke, carried on fruitless negotiations with the electric industry. Administrator Cooke sought a basis upon which the industry would accept the challenge laid down by the Congress that

the power companies broaden their vision and get out and provide the area coverage service that people in rural areas were entitled to have.

But the power companies were not interested. Their spokesmen said they were already serving as much of the rural areas as they could afford to serve. The rest of the rural market would not pay out, they claimed. It was absurd to talk about systems that would serve only three consumers to the mile, they said. They were willing to skim the cream, but they were not interested in rural electrification on any basis approaching area coverage.

It was only after the REA Administrator was convinced that a new approach was the only hope for achieving a broad-based program of rural electrification, that he seriously looked to farmers and other rural people to take on the assignment. It was at this point that the co-ops actively stepped into the picture and shaped the present RSA pattern in meeting this problem.

This is history. What you have accomplished is also history. It is a rich history which demonstrates what rural people can do when they set their minds to it. With REA technical assistance and long-term capital, you successfully built hundreds of electric systems. You did it better and cheaper, and you did it in tougher, thinner areas, than the old hands of the power companies would admit could be possible.

The vital ingredients in your achievement were a high sense of public responsibility and an enthusiastic willingness by countless rural people to devote time and energy to this kind of public service. That sense of public responsibility has been a unique trademark in this program.

The cooperative electric systems in the REA program are private enterprise institutions. Each is "investor owned" just as much as any of these power companies now spending millions of dollars trying to convince the public that this tag somehow is their special proprietary virtue. Your electric cooperatives are owned by nearby 5 million investor owners. What is more, these investor owners are people who live on their systems, are served by them. They are local owners, not absentee coupon clippers. The investments come the hard way, a little at a time, from modest incomes, yet I dare say their investments are properly entitled to as much public concern and protection as that of any Wall Street investor.

REA-financed electric cooperatives are private enterprise in the highest sense of the word, but they are private enterprise with a distinctive responsiveness to public need.

Today there are 990 active rural electrification borrowers. In all there have been 1,090 borrowers in the program. Their combined investment, including loan funds, is about $4 billion. They serve nearly 5 million consumers. They have been instrumental in spreading electric service, directly or by competitive example, to about 97 percent of our farms. They themselves serve over half of these farms.

And as for the money they have borrowed from REA, they are paying that back—with interest—on schedule, even ahead of schedule. There is only one borrower delinquent, and that one is only $81,764 behind in principal and interest. This is a repayment record without parallel in the history of any loan program—public or private.

But this very success has created the present crisis in rural electrification. The rural territories which the power companies passed up in disdain have now become attractive to them. As a result the cooperative systems which developed the rural areas they now serve are threatened by mounting attacks from the outside. And on the inside they suffer from a growing complacency of many officers, directors, managers, and members who somehow seem to think all the battles have been won and the work is done. They seem to act as though all that needs doing now is routine maintenance, regular billing, and full enjoyment of each new financial statement.

This is the crisis. Here are the challenges. Upon our efforts—yours at home and through NRECA and ours in REA—depend the ultimate survival of cooperative rural electrification, control of the systems you have built, protection of the growing investment of rural people in them, and the role of electric power in the future development of rural America.

If you—and we in REA—are to continue to do the job with which we are changed, we must look now to the future security and effectiveness of these systems. We must look not only to the ability of these systems to survive, but also to their effectiveness in doing the job for which they were created—supplying the rapidly growing demand for electric service in rural areas on an area coverage basis at as low a cost as possible. We must move now to assure these systems a growing source of power, at the lowest possible cost and on terms consistent with their security and effectiveness. We must move now to protect the integrity of the service areas we have developed in good faith. We must constantly improve system management, alert the member-owners of our rural cooperative systems to the dangers which threaten them, and build public understanding and support for our program and its needs. And we must move now to strengthen the economic base and expand economic opportunities in the rural America we serve.

In the total picture, the problem of adequate power supply is our most immediate concern. If we are to meet the growing needs of rural areas for electric service our capacity to provide that power must grow apace. Power must be available on a dependable basis and at as low a cost as possible on terms that are fair and reasonable. Each system must have full opportunity to serve all loads in its area—the bigger and better loads as well as the smaller, more expensive ones, the denser as well as the thinner areas.

REA-financed borrowers currently buy about 38 percent of their power needs from commercial power companies in the wholesale power market. REA-financed generation facilities supply only about 16 percent of their needs. The balance is purchased from publicly owned generating sources such as TVA, Bureau of Reclamation, regional power authorities, and municipalities.

REA borrowers are major customers of the power companies, and we have no objection to that—provided the power supplied is adequate, economical, and available on fair terms, and provided the power companies do not use their control over the source of power to cripple our borrowers' systems.

We do object to the dual rate. We do object to the power supplier dictating what consumers our borrowers may or may not serve in their own service areas.

Last year 189 REA borrowers had to purchase their power under such contracts from 19 different power companies. The penalty rate is nothing more than a device by which these companies deprive a co-op of the load advantages of industrial and commercial power users in its area. The power company charges the co-op one wholesale rate for power needed to serve the smaller consumers on the cooperative's system, and a penalty rate for power needed to serve the larger consumers. This is an invasion of our borrowers' territory and a violation of their rights. It is moreover a limitation on the ability of the distribution system to serve its members efficiently and economically. And, I might add, it is injurious to the security of the Federal Government's loan.

So far as we are concerned at REA, we do not propose to approve any such power contracts. We are determined to get rid of the dual rate and similar restrictive clauses in the power contracts affecting our borrowers.

And we are serving notice upon power suppliers that we do not propose to leave our borrowers dependent for power upon companies that are demonstrating every day and in every way their basic hostility to our cooperative systems.

Let it be understood that we consider it bad business and a violation of plain, commonsense to depend upon any power company which invades a borrower's territory or pirates away customers. Neither do we think it wise to do business with a supplier which joins in the campaign of vicious misrepresentation designed to undermine the position and acceptance of our cooperative system in the eyes of the public. Electric power is the lifeblood of a distribution system. We cannot afford to depend upon a borrower's avowed enemies to supply it.

In view of this, we have broadened our criteria for measuring the desirability of REA-financed cooperative generation and transmission facilities. As before, we will grant loans where economically feasible for such G. & T. facilities if the other power sources available are either inadequate, undependable, or more costly than REA-financed generation. But in addition we will also approve feasible G. & T. loan applications if it is necessary to protect the future security and effectiveness of our borrower distribution systems. This is the so-called third criterion of REA's generation and transmission policy added under the new administration.

Let me make our position clear. REA proposes to make loans for generation and transmission as an alternative for borrowers that are unable to buy power on fair and reasonable terms or that find themselves forced to rely on a hostile source for their future power supply.

To do a better job of it we have reestablished a Power Supply Division in REA. To get the maximum efficiency from our power supply programs, to achieve the maximum economies for you and your member-consumers, to get the most "mileage" out of our loan dollars takes concentrated attention, smart engineering, and far-sighted planning. This is the function of our new Power Supply Division.

More recently a new threat has developed. As our Nation's population surges upward, people from the urban centers spread out into the countryside. Farmlands become housing developments. Then come the shopping centers, and the cities push their boundaries wider to keep up with the growth. In the 12 years from 1948 to 1960, the number of cities annexing rural territories more than tripled, and the number of square miles annexed increased almost four times. Last year 712 cities with populations of at least 5,000 annexed more than 1,082 square miles.

When rural areas developed in good faith by the co-ops are annexed and brought within the new city limits, the power companies are quick to take advantage of the fine print in their franchises.

And, just to show how it can work, there is a city in Oklahoma that reached out and annexed an area served by a rural electric cooperative. It kept its legal hand on the area while the city's enfranchised power company used the annexation as leverage to pirate cooperative consumers. This compelled the cooperative to negotiate sale of its facilities in the area. Then the city deannexed the area.

Pirating of the choice loads in rural territory long served by co-op systems is reaching serious proportions. Across the country from one coast to the other, there is a spreading pattern in seizure of thousands of co-op consumers by power companies hungry for the more profitable loads in the rural territories they once refused to serve.

Co-ops must fight to hold the territory they pioneered. Continued area coverage and low rates depend upon serving the richer portions along with the thinner areas of their territory. In some cases, sheer survival of the co-op is going to be threatened by the new inroads of the power companies. The geography of population growth is more vital to the existence of nonprofit, member-owned co-ops than it is to any other type of power system.

At REA we have been giving much attention to this growing menace. We stand ready to give—and are giving—legal assistance to our borrowers in a case-by-case defense of their territorial rights. But this alone is not going to win the struggle.

This growing encroachment on co-op service areas is not confined to isolated instances. It is a general pattern. It is vitally important that you realize this fact. You may think your particular co-op is safe now, but, mark my words, the days are numbered. Your turn will come, and you had better be sure that, when that time comes, there are some ground rules to protect you.

This threat cannot be successfully answered on a case-to-case basis. Nor can it be met by Federal legislation or action. The only effective answer must come through your State legislatures. State protective legislation is required guaranteeing the right of our cooperative rural electric systems to serve all consumers in the service territory they have developed and to continue to serve that territory even though it may at some later time be annexed to a municipality.

We hope to be able soon to propose a basic legislative approach in the form of a model bill which can be adapted to the particular law of each State, but which at the same time will serve as the rallying point of the entire cooperative rural electrification movement. With a unified approach and solid support we can build the momentum and public acceptance so important in putting such legislation across in each State where it is needed.

Success in winning both the battle of power supply and the battle of territorial integrity rests with the leadership of the rural electrification movement and upon the extent to which the 20 million people who benefit from cooperative electric service can be aroused to the dangers threatening local ownership and control. This is where you come in.

The need for members to understand their rights and responsibilities in a cooperative enterprise was never greater than it is today. The issue of whether a farm family could or could not get lights was easily understood 25 years ago. Today the lights are in, and the issues are now issues of comparative rates, better service, who is to control the systems, and who is entitled to the benefits which flow from electric service. These issues are more subtle, less obvious, but just as important as getting that first hookup 25 years ago.

Your members own a valuable property. Altogether across the Nation REA-financed cooperative members own properties worth many billions of dollars. More than just owning it, they are in a position to secure for themselves many more billions of dollars worth of future benefits if they maintain effective control of these properties and develop them to their full potential. Otherwise, those billions of consumer benefits which can be theirs will be converted to billions in profits for someone else.

And all this, too, is an important factor in determining whether low-cost electric power shall be available to expand economic opportunity in rural areas or whether the power bill will become the means of siphoning off the economic strength and retarding the growth of rural America. TVA and Bonneville have shown what low-cost power means in economic development and well-being in the Tennessee Valley and the Northwest. It can mean just as much for rural areas everywhere.

All this your members need to know and understand. It is vitally important to them and their future. They need to know it does make a difference who stands behind that light switch.

In this program of member education there is a need to give special consideration to a vast new group of members coming into our cooperatives as a result of suburban growth in the many rural areas. There are not farm folks. Even though some might have been brought up on the farm and know the REA story from childhood, they are essentially city people now. Yet their understanding of their stake in their cooperative electric service is just as vital to the success of the cooperative in surviving and achieving its purposes.

I might add also that your employees need to know all this too. I have been appalled at times by how little understanding co-op employees seem to have of the basic advantages of the cooperative systems and what they mean to people as contrasted to the service of profit-taking companies.

All this is most urgent. It is a big job. But that is not all. You cannot—we cannot—afford to stop there. Rural people alone, your members and your employees alone, cannot win the battles in Congress or in the State legislatures that must be won if this great program is to continue. We must have the sympathetic understanding of millions of fair-minded city people. And we can have it only if we can get our true story to them.

The opposition knows this. This is why the power companies are building up the tremendous propaganda effort we see in the newspapers, on the radio, over television, through direct mail, and countless organizational channels.

We are in a battle for people's understanding and support across the country.

NRECA's TNT program—"Tell the Nation the Truth"—is a great step forward in giving nonrural people the REA story. It is an essential countermeasure to the damage done by opposition propaganda. It is no idle frill or luxury, it is serious business. It is designed to help make sure that people who will be passing judgment on this program in so many ways get the basic facts straight. Every co-op has a part to play in the success of this campaign.

There is more, of course, to good public relations than a national advertising program, or even a good local program. Fundamental to good public relations is the kind of example your coöperative sets, the kind of community citizenship it displays to the public. Is your business soundly managed? Is your policy on financial reserves above criticism? Do you plan your growth to keep standards of service high? Are you active as a community builder? Do you treat your employees fairly and recognize their rights? This is not only good public relations, but good management as well.

I want to say a word about financial planning. Long-range financial planning is just as fundamental to good management as is long-range engineering planning.

Unfortunately, financial planning has in recent years become a bone of contention in public discussions of the REA loan program, especially in conjunction with the 2-percent interest rate controversy.

Now so far as this administration is concerned the debate over the 2-percent rate is over and done. President Kennedy has made that clear. Secretary Freeman and I are in complete accord on it. The 2-percent rate was agreed upon by Congress when it passed the Pace Act back in 1944 as a fair approximation, over the years, of what this loan money would cost the Government. At the time it was higher than the cost of borrowed money to the Government, but it was fully expected there would be periods when it would fall short of the Government's cost. Over the years it is expected to average out with no significant loss to the Federal Government. It is also a rate which recognizes the special difficulties and higher costs of providing area coverage in the rural areas and partially offsets them. A fixed rate also makes it easier for borrowers to plan ahead.

But to keep the interest rate controversy alive as a subsidy myth, and to turn the public against you and the REA program, the opposition has added a new twist. The co-ops, they say, borrow this money at 2 percent, then turn around and invest vast reserve fund accumulations at considerably higher rates of return. The implication is obvious, and there is no doubt that this falsehood makes many a hard-pressed taxpayer mad if he does not know the true story.

Actually, REA-financed borrowers as a group have not accumulated any vast reserves, reasonable or unreasonable in amount. The average net worth of the systems is only 20 percent of their total assets. Current and future expansion must still be done on borrowed money.

Every business needs reserves as a normal requirement of sound operation. They are needed for working capital, for renewal and replacement, and for contingencies of various kinds.

It is vital to public understanding of our problems and needs that we establish some reasonable, sound, and acceptable standards as to what constitutes legitimate reserve levels and how they should be managed.

NRECA and the Statewide Managers Association are carrying out a study of reserve policies to provide you with helpful information in determining a policy on reserves for your co-op. REA is cooperating. REA has appointed a committee to reexamine the questions of adequate reserves and prudent reserve management policies as a function of long-range financial planning. We expect to recommend general guidelines which we hope will be helpful to each borrower in evaluating its own position and at the same time put the entire controversy over reserves in a light that Congress and the public will clearly understand.

Good employee relations is another important aspect of good public relations. Every employee can and should be an ambassador of good will for cooperative rural electrification. We must, in turn, see to it that our systems are among the best places to work.

We must show constructive leadership in improving wage standards and conditions of employment. We must recognize the importance of better job training. We must do a better job in safety.

Let us not overlook the broader implications of good employee relations. In some circles, I suppose, it would be called labor policy. We would be shortsighted, indeed, if we did not recognize a broad basis for mutual support between farm people in the rural areas and working people in the cities. Agriculture represents a vast and essential market for the industrial products the city worker manufactures. The great mass of city workers are, in turn, the primary market for the farmers' crops.

Public opinion polls show that working people in the cities have consistently supported your efforts to provide your own rural electric service. We have had consistent support in the Congress and many State legislatures from representatives of predominantly labor districts.

This is a spirit of mutual understanding which is significant to the future of cooperative rural electrification. It is a kind of cooperation we should do all in our power to encourage. There is no better place to

start than in our own cooperative's employee relations.

And, finally, there is no greater opportunity for our cooperative electric systems to show their true colors in public service than in the present challenge of rural area development. Your leadership and active participation in expanding economic opportunity and growth in rural America is vital not only to your individual communities but also to the national welfare. As you help establish new homegrown industry in your respective communities, you will be providing new employment, stimulating business, and adding income in rural areas. Your contribution to rural areas development will make new friends for the co-ops, both on and off your service lines.

The job of rural electrification is not done. We have hooked up 97 percent of the Nation's farms with central station electric service in the last 26 years, it is true, but the bigger job of realizing the maximum benefits from that service is just beginning.

We now face a showdown battle which will, in all likelihood, determine whether cooperative rural electrification will be able to survive.

REA-financed rural cooperative systems represent a middle way between the commercial profit-taking power companies on one hand and public power systems on the other. They are private enterprise, but with a built-in public conscience. Not only must they retain a permanent place in the electric power industry of this country, but they must be allowed to move ahead and fulfill their destiny in the future development of rural America.

I am here today to assure you that President Kennedy believes not only in the great past performance of this program but also in its even greater future. And let me assure you, also, that it does make a difference—a very great difference—to this program when the President of the United States is on your side. It makes a difference who is the Secretary of Agriculture. And I hope it is your finding by this time that it makes a difference who is Administrator of REA.

So far as this administration is concerned, the course is clear. We believe in this program. We believe in the rural people who have built it. You have our support.

The question now is—will we have yours?

A Forward Step for Highway Safety

EXTENSION OF REMARKS
OF
HON. WM. J. RANDALL
OF MISSOURI
IN THE HOUSE OF REPRESENTATIVES
Wednesday, September 27, 1961

Mr. RANDALL. Mr. Speaker, in the closing days of the session, S. 1440 came over from the Senate. It provided for the establishment of a register of certain motor vehicles licenses. It was passed under the Consent Calendar. We had introduced an identical bill, H.R. 8388, which was tabled by the House Interstate and Foreign Commerce Committee in order to permit the passage of S. 1440. Both bills were to improve the administration of the national drivers license register program. This register contains the names of persons whose permits to drive motor vehicles have been revoked for drunken driving, or having been convicted of a traffic violation resulting in loss of life.

The purpose of our own H.R. 8388 and S. 1440 is to clarify the present law for the reason that some States do not revoke, but suspend, driving permits. Other States both revoke and suspend. Our legislation would have authorized the Department of Commerce to list suspensions as well as revocations—or both—for the two offenses we have mentioned.

Organizations which proposed this legislation were, the American Association of Motor Administrators, American Bar Association, Traffic Institute of Northwestern University, and the Bureau of Public Roads, Department of Commerce.

This new bill will assist 13 States in taking advantage of this service. Already about 68,000 names have accumulated on the new National Register. Real benefit will accrue to all the States, providing greater protection in knowing of the past history of persons who apply for permits to drive but who conceal a history of past convictions for these two offenses.

Our interest in this legislation came about because a constituent had written us that her brother and he cousin had been killed by a drunken driver while on a trip, in another State. A fellow passenger was so mangled that she was a human wreck. The culprit driver was released on bond and yet from the day of the accident to this day, the man who was responsible and who was an admitted drunken driver, has never appeared in court to answer the charge, nor has he ever been found.

We were glad to have H.R. 8388 set aside for S. 1440, if doing so would expedite the passage of this most needed amendment. We cannot bring back the lives of the relatives of our constituents, nor the lives of thousands of others who have perished from accidents caused by those who were driving while intoxicated. But we will be able to know that these same culprits, in most cases, will not be permitted to drive so recklessly again, and that this legislation, in the future will bear fruit and pay greater dividends because of the amendment.

Mr. Speaker, under unanimous consent, I include views about our bill from the Director of Driver Register, Mr. W. G. Eames, of the Bureau of Public Roads, U.S. Department of Commerce, set forth in a letter as follows:

SEPTEMBER 22, 1961.

Hon. WILLIAM J. RANDALL,
House of Representatives,
Washington, D.C.

DEAR MR. RANDALL: We were pleased to learn last night that the House of Representatives passed the amendment you introduced to permit the National Driver Register Service to receive and disseminate records of suspensions as well as revocations for driving while intoxicated and involvement in a fatality. This will make our program much more workable. Many of the States will be able to participate and some of the States who are unable to cooperate under the enabling legislation will now be able to send us their records and thereby provide a more complete and effective register.

We feel that we are making good progress in our effort to service the States. We have over 70,000 driver license revocations and have sent out over 1,200 reports to the participating States. Forty-five of the jurisdictions, including Alaska, Hawaii, Canal Zone, Puerto Rico, and the Virgin Islands, are sending us information and several others tell us we can expect some from them soon.

Many talk about improving highway safety, but do not do much more than talk. It is very gratifying to me, and I hope it will be to your constituents to note the positive action you have taken in introducing and supporting this amendment.

Sincerely yours,

WENDELL G. EAMES,
Director, Driver Register.

The Camillus Letters

EXTENSION OF REMARKS
OF
HON. KARL E. MUNDT
OF SOUTH DAKOTA
IN THE SENATE OF THE UNITED STATES
Wednesday, September 27, 1961

Mr. MUNDT. Mr. President, whenever the foreign relations of the United States are in a posture that suggests that war might be imminent, I am reminded of our first comparable situation. The time was 1794 in George Washington's second administration. The French Revolution was well underway and England and France were at war. Our own people, the people of the United States, were taking sides with these two foreign contenders. The Treaty of Paris which was supposed to have settled the American War of Independence had been violated by the British and by ourselves and another war seemed to be in the offing. At this juncture, President Washington nominated to the Senate the Chief Justice of the Supreme Court, John Jay, as a special envoy to Great Britain to negotiate a settlement. Mr. Jay returned from London with a treaty which the Senate ultimately advised President Washington to ratify.

Among our own people, the proponents of France and antagonists of Great Britain opposed this treaty in every possible way. As soon as the treaty was published in this country, Alexander Hamilton began a series of public letters in defense of Mr. Jay's treaty, over the signature Camillus. These letters, 38 in number, were most effective in bringing about the Senate's consent to the President's ratification of the treaty. The first seven of these letters deal with what is always the modern question: "The difficult problem of how nations, whose interests it is to be friends, may adjust their differences without loss of dignity."

Many students of statecraft rank Hamilton's Camillus letters above anything else he ever wrote, even above the Federalist, a better known work which is regarded as the classic work on government in a free society.

The Camillus letters are as apropos today as when written in the summer of 1795. In the context of today's problems, I hope they will be read by every thoughtful citizen and every responsible officer of the United States. As these letters are out of print—imbedded in collected works, I ask unanimous con-

sent that these seven Camillus letters be printed in the Appendix of the RECORD:

[From the Argus]

CAMILLUS[1]

DEFENSE OF MR. JAY'S TREATY

No. I

JULY 22, 1795.

It was to have been foreseen, that the treaty which Mr. Jay was charged to negotiate with Great Britain, whenever it should appear, would have to contend with many perverse dispositions and some honest prejudices; that there was no measure in which the Government could engage, so little likely to be viewed according to its intrinsic merits—so very likely to encounter misconception, jealousy, and unreasonable dislike. For this, many reasons may be assigned.

It is only to know the vanity and vindictiveness of human nature, to be convinced, that while this generation lasts there will always exist among us men irreconcilable to our present national Constitution; embittered in their animosity in proportion to the success of its operations, and the disappointment of their inauspicious predictions. It is a material inference from this, that such men will watch, with lynx's eyes, for opportunities of discrediting the proceedings of the Government, and will display a hostile and malignant zeal upon every occasion, where they think there are any prepossessions of the community to favor their enterprises. A treaty with Great Britain was too fruitful an occasion not to call forth all their activity.

It is only to consult the history of nations, to perceive, that every country, at all times, is cursed by the existence of men who, actuated by an irregular ambition, scruple nothing which they imagine will contribute to their own advancement and importance; in monarchies, supple courtiers; in republics, fawning or turbulent demagoges, worshiping still the idol—power—wherever placed, whether in the hands of a prince or of the people, and trafficking in the weaknesses, vices, frailties, or prejudices of the one or the other. It was to have been expected that such men, counting more on the passions than on the reason of their fellow citizens, and anticipating that the treaty would have to struggle with prejudices, would be disposed to make an alliance with popular discontent, to nourish it, and to press it into the service of their particular views.

It was not to have been doubted, that there would be one or more foreign powers indisposed to a measure which accommodated our differences with Great Britain, and laid the foundation of future good understanding, merely because it had that effect.

Nations are never content to confine their rivalships and enmities to themselves. It is their usual policy to disseminate them as widely as they can, regardless how far it may interfere with the tranquility or happiness of the nations which they are able to influence. Whatever pretensions may be made, the world is yet remote from the spectacle of that just and generous policy, whether in the cabinets of republics or of kings, which would dispose one nation, in its intercourses with another—satisfied with a due proportion of privileges and benefits—to see that other pursue freely its true interest with regard to a third, though at the expense of no engagement, nor in violation of any rule of friendly or fair procedure. It was natural that the contrary spirit should produce efforts of foreign counteraction to the treaty; and it was certain that the partisans of the counteracting power would second its efforts by all the means which they thought calculated to answer the end.

It was known, that the resentment produced by our revolution war with Great Britain had never been entirely extinguished, and that recent injuries had rekindled the flame with additional violence. It was a natural consequence of this, that many should be disinclined to any amicable arrangement with Great Britain, and that many others should be prepared to acquiesce only in a treaty which should present advantages of so striking and preponderant a kind as it was not reasonable to expect could be obtained, unless the United States were in a condition to give the law to Great Britain, and as, if obtained under the coercion of such a situation, could only have been the short-lived prelude of a speedy rupture to get rid of them.

Unfortunately, too, the supposition of that situation has served to foster exaggerated expectations; and the absurd delusion to this moment prevails, notwithstanding the plain evidence to the contrary, which is deducible from the high and haughty ground still maintained by Great Britain against victorious France.

It was not to be mistaken, that an enthusiasm for France and her revolution, throughout all its wonderful vicissitudes, has continued to possess the minds of the great body of the people of this country; and it was to be inferred, that this sentiment would predispose to a jealousy of any agreement or treaty with her most persevering competitor, a jealousy so excessive as would give the fullest scope to insidious arts to perplex and mislead the public opinion. It was well understood that a numerous party among us, though disavowing the design, because the avowal would defeat it, have been steadily endeavoring to make the United States a party in the present European war, by advocating all those measures which would widen the breach between us and Great Britain, and by resisting all those which would tend to close it; and it was morally certain, that this party would eagerly improve every circumstance which would serve to render the treaty odious, and to frustrate it, as the most effectual road to their favorite goal.

It was also know beforehand that personal and party rivalships, of the most active kind, would assail whatever treaty might be made, to disgrace, if possible, its organ.

There are three persons prominent in the public eye, as the successor of the actual President of the United States, in the event of his retreat from the station—Mr. Adams, Mr. Jay, and Mr. Jefferson.

No one has forgotten the systematic pains which have been taken to impair the well-earned popularity of the first gentleman. Mr. Jay, too, has been repeatedly the object of attacks with the same view. His friends, as well as his enemies, anticipated that he could make no treaty which would not furnish weapons against him; and it were to have been ignorant of the indefatigable malice of his adversaries, to have doubted that they would be seized with eagerness and wielded with dexterity.

The peculiar circumstances which have attended the two last elections for Governor of this State,[2] have been of a nature to give the utmost keenness to party animosity. It was impossible that Mr. Jay should be forgiven for his double, and in the last instance triumphant, success; or that any promising opportunity of detaching from him the public confidence, should pass unimproved.

Trivial facts frequently throw light upon important designs. It is remarkable, that in the toasts given on the 4th of July, wherever there appears a direct or indirect censure of the treaty, it is pretty uniformly coupled with compliments to Mr. Jefferson, and to our late Governor, Mr. Clinton, with an evident design to place those gentlemen in contrast with Mr. Jay, and, decrying him, to elevate them. No one can be blind to the finger of party spirit, visible in these and similar transactions. It indicates to us clearly one powerful source of opposition to the treaty.

No man is without his personal enemies. Preeminence even in talents and virtue is a cause of envy and hatred of its possessor. Bad men are the natural enemies of virtuous men. Good men sometimes mistake and dislike each other.

Upon such an occasion as the treaty, how could it happen otherwise, than that personal enmity would be unusually busy, enterprising, and malignant?

From the combined operations of these different causes, it would have been a vain expectation that the treaty would be generally contemplated with candor and moderation, or that reason would regulate the first impressions concerning it. It was certain, on the contrary, that however unexceptionable its true character might be, it would have to fight its way through a mass of unreasonable opposition; and that time, examination, and reflection would be requisite to fix the public opinion on a true basis. It was certain that it would become the instrument of a systematic effort against the National Government and its administration; a decided engine of party to advance its own views at the hazard of the public peace and prosperity.

The events which have already taken place are a full comment on these positions. If the good sense of the people does not speedily discountenance the projects which are on foot, more melancholy proofs may succeed.

Before the treaty was known, attempts were made to prepossess the public mind against it. It was absurdly asserted, that it was not expected by the people that Mr. Jay was to make any treaty; as if he had been sent, not to accommodate differences by negotiation and agreement, but to dictate to Great Britain the terms of an unconditional submission.

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[1] The agitation against the Jay treaty grew daily more dangerous, and the attacks on the administration became more virulent. Hamilton did all he could to stem the tide, but the popular feeling was such that he was actually stoned at a public meeting. Four days later he entered the field in a more formidable manner, by publishing the first of the "Camillus" essays, which were continued throughout the year. Gradually the opposition concentrated their whole fire upon Hamilton, who kept up his chief argument in "Camillus," and replied to his antagonists, driving one after another from the field, as "Philo-Camillus." These last papers of "Philo-Camillus" add nothing to the main body of argument, are in their nature ephemeral, and exhibit only the writer's power of retort. It does not seem necessary to reprint them.

The "Camillus" essays, however, deserve careful study. In a controversial sense they stand first among Hamilton's writings. They did more to check an apparently irresistible popular feeling and turn it the other way, than anything else. They show Hamilton's ability in argument, a masterly handling of the immediate issue, and a profound knowledge of the question in all its bearings. They also exhibit Hamilton's general theory of our foreign relations, and his wide knowledge of the whole field of international law.

The force and ability of these essays were not lost upon the opposition. It was in this connection that Jefferson wrote that "Hamilton was a Colossus to the anti-Republican Party," and he urged Madison to take the field against their great enemy. Madison, however, had no stomach for the fight, and prudently abstained. Nothing shows more strongly Hamilton's influence upon public opinion than the effects produced by this remarkable series of essays.

[2] New York.

Before it was published at large, a sketch, calculated to produce false impressions, was handed out to the public, through a medium noted for hostility to the administration of the Government. Emissaries flew through the country, spreading alarm and discontent; the leaders of clubs were everywhere active to seize the passions of the people, and preoccupy their judgments against the treaty.

At Boston it was published one day, and the next a town meeting was convened to condemn it; without ever being read, without any serious discussion, sentence was pronounced against it.

Will any man seriously believe, that in so short a time an instrument of this nature could have been tolerably unnerstood by the greater part of those who were thus induced to a condemnation of it? Can the result be considered as anything more than a sudden ebullition of popular passion, excited by the artifices of a party which had adroitly seized a favorable moment to furorize the public opinion? This spirit of precipitation and the intemperance which accompanied it, prevented the body of the merchants and the greater part of the most considerate citizens from attending the meeting, and left those who met, wholly under the guidance of a set of men who, with two or three exceptions, have been the uniform opposers of the Government.

The intelligence of this event had no sooner reached New York than the leaders of the clubs were seen haranguing in every corner of the city, to stir up our citizens into an imitation of the example of the meeting at Boston. An invitation to meet at the city hall quickly followed, not to consider or discuss the merits of the treaty, but to unite with the meeting at Boston to address the President against its ratification.

This was immediately succeeded by a handbill, full of invectives against the treaty, as absurd as they were inflammatory, and manifestly designed to induce the citizens to surrender their reason to the empire of their passions.

In vain did a respectable meeting of the merchants endeavor, by their advice, to moderate the violence of these views, and to promote a spirit favorable to a fair discussion of the treaty; in vain did a respectable majority of the citizens of every description attend for that purpose. The leaders of the clubs resisted all discussion, and their followers, by their clamors and vociferations, rendered it impracticable, notwithstanding the wish of a manifest majority of the citizens convened upon the occasion.

Can we believe that the leaders were really sincere in the objections they made to a discussion, or that the great and mixed mass of citizens then assembled had so thoroughly mastered the merits of the treaty as that they might not have been enlightened by such a discussion?

It cannot be doubted that the real motive to the opposition was the fear of a discussion; the desire of excluding light; the adherence to a plan of surprise and deception. Nor need we desire any fuller proof of the spirit of party which has stimulated the opposition to the treaty, than is to be found in the circumstances of that opposition.

To every man who is not an enemy to the National Government, who is not a prejudiced partisan, who is capable of comprehending the argument, and dispassionate enough to attend to it with impartiality, I flatter myself I shall be able to demonstrate satisfactorily in the course of some succeeding papers:

1. That the treaty adjusts, in a reasonable manner, the points in controversy between the United States and Great Britain, as well those depending on the inexecution of the treaty of peace, as those growing out of the present European war.

2. That it makes no improper concessions to Great Britain, no sacrifices on the part of the United States.

3. That it secures to the United States equivalents for what they grant.

4. That it lays upon them no restrictions which are incompatible with their honor or their interest.

5. That in the articles which respect war, it conforms to the laws of nations.

6. That it violates no treaty with, nor duty toward, any foreign power.

7. That, compared with our other commercial treaties, it is, upon the whole entitled to a preference.

8. That it contains concessions of advantages by Great Britain to the United States, which no other nation has obtained from the same power.

9. That it gives to her no superiority of advantages over other nations with whom we have treaties.

10. That the interests of primary importance to our general welfare are promoted by it.

11. That the too probable result of a refusal to ratify is war, or, what would be still worse, a disgraceful passiveness under violations of our rights, unredressed, and unadjusted; and consequently that it is the true interest of the United States that the treaty should go into effect.

It will be understood that I speak of the treaty as advised to be ratified by the Senate—for this is the true question before the public.

CAMILLUS.

No. II

1795.

Previous to a more particular discussion of the merits of the treaty, it may be useful to advert to a suggestion which has been thrown out, namely: that it was foreseen by many that the mission to Great Britain would produce no good result, and that the event has corresponded with the anticipation.

The reverse of this position is manifestly true.

All must remember the very critical posture of this country at the time that mission was resolved upon. A recent violation of our rights, too flagrant and too injurious to be submitted to, had filled every American breast with indignation, and every prudent man with alarm and disquietude. A few hoped, and the great body of the community feared, that war was inevitable.

In this crisis two sets of opinions prevailed: one looked to measures which were to have a compulsory effect upon Great Britain, the sequestration of British debts, and the cutting off intercourse wholly or partially between the two countries; the other to vigorous preparations for war, and one more effort of negotiation, under the solemnity of an extraordinary mission, to avert it.

That the latter was the best opinion, no truly sensible man can doubt; and it may be boldly affirmed that the event has entirely justified it.

If measures of coercion and reprisal had taken place, war, in all human probability, would have followed.

National pride is generally a very untractable thing. In the councils of no country does it act with greater force than in those of Great Britain. Whatever it might have been in her power to yield to negotiation, she could have yielded nothing to compulsion, without self-degradation, and without the sacrifice of that political consequence which, at all times very important to a nation, was peculiarly so to her at the juncture in question. It should be remembered, too, that from the relations in which the two countries have stood to each other, it must have cost more to the pride of Great Britain to have received the law from us than from any other power.

When one nation has cause of complaint against another, the course marked out by practice, the opinion of writers, and the principles of humanity, the object being to avoid war, is to precede reprisals of any kind by a demand of reparation. To begin with reprisals is to meet on the ground of war, and put the other party in a condition not to be able to recede without humiliation.

Had this course been pursued by us, it would not only have rendered war morally certain, but it would have united the British nation in a vigorous support of their government in the prosecution of it; while, on our part, we should have been quickly distracted and divided. The calamities of war would have brought the most ardent to their senses, and placed them among the first in reproaching the government with precipitation, rashness, and folly for not having taken every chance, by pacific means, to avoid so great an evil.

The example of Denmark and Sweden is cited in support of the coercive plan. Those powers, it is asserted, by arming and acting with vigor, brought Great Britain to terms.

But who is able to tell us the precise course of this transaction, or the terms gained by it? Has it appeared that either Denmark or Sweden has obtained as much as we have done—a stipulation of reparation for the violation of our property, contrary to the laws of war?

Besides, what did Denmark and Sweden do? They armed, and they negotiated. They did not begin by retaliations and reprisals. The United States also armed and negotiated, and, like Denmark and Sweden, prudently forbore reprisals. The conduct of the three countries agreed in principle, equally steering clear of a precipitate resort to reprisals, and contradicting the doctrines and advice of our war party.

The course pursued by our Government was, then, in coincidence with the example of Denmark and Sweden—and, it may be added, was in every view the wisest.

Few nations can have stronger inducements than the United States to cultivate peace. Their infant state in general, their want of a marine in particular, to protect their commerce, would render war, in an extreme degree, a calamity. It would not only arrest our present rapid progress to strength and prosperity, but would probably throw us back into a state of debility and impoverishment, from which it would require years to emerge.

Our trade, navigation, and mercantile capital would be essentially destroyed. Spain being an associate of Great Britain, a general Indian war might be expected to desolate the whole extent of our frontier; our exports obstructed, agriculture would of course languish; all other branches of industry would proportionately suffer; our public debt, instead of a gradual diminution, would sustain a great augmentation, and draw with it a large increase of taxes and burdens on the people.

But these evils, however great, were, perhaps, not the worst to be apprehended. It was to be feared that the war would be conducted in a spirit which would render it more than ordinarily calamitous. There are too many proofs that a considerable party among us is deeply infected with those horrid principles of Jacobinism which, proceeding from one excess to another, have made France a theater of blood, and which, notwithstanding the most vigorous efforts of the national representation to suppress it, keeps the destinies of France, to this moment, suspended by a thread. It was too probable, that the direction of the war, if commenced, would have fallen into the hands of men of this description. The consequences of this, even in imagination, are such as to make any virtuous man shudder.

It was, therefore, in a peculiar manner, the duty of the Government to take all possible chances for avoiding war. The plan adopted was the only one which could claim this advantage.

To precipitate nothing, to gain time by negotiations, was to leave the country in a situation to profit by any events which might

turn up, tending to restrain a spirit of hostility to Great Britain, and to dispose her to reasonable accommodation.

The successes of France, which opportunely occurred, allowing them to have had an influence upon the issue, so far from disparaging the merit of the plan that was pursued, serve to illustrate its wisdom. This was one of the chances which procrastination gave, and one which it was natural to take into the calculation.

Had the reverse been the case, the posture of negotiation was still preferable to that of retaliation and reprisal; for in this case, the triumphs of Great Britain, the gauntlet having been thrown by us, would have stimulated her to take it up without hesitation.

By taking the ground of negotiation in the attitude of preparation for war, we at the same time carried the appeal to the prudence of the British Cabinet, without wounding its pride, and to the justice and interest of the British nation, without exciting feelings of resentment.

This conduct was calculated to range the public opinion of that country on our side, to oppose it to the indulgence of hostile views in the Cabinet, and, in case of war, to lay the foundation of schism and dissatisfaction.

But one of the most important advantages to be expected from the course pursued, was the securing of unanimity among ourselves, if, after all the pain taken to avoid the war, it had been forced upon us.

As, on the one hand, it was certain that dissension and discontent would have embarrassed and enfeebled our exertions, in a war produced by any circumstances of intemperance in our public councils, or not endeavored to be prevented by all the milder expedients usual in similar cases; so, on the other, it was equally certain that our having effectually exhausted those expedients would cement us in a firm mass, keep us steady and persevering amidst whatever vicissitudes might happen, and nerve our efforts to the utmost extent of our resources.

This union among ourselves and disunion among our enemies were inestimable effects of the moderate plan, if it had promised no other advantage.

But to gain the time was of vast moment to us in other senses. Not a seaport of the United States was fortified, so as to be protected against the insults of a single frigate. Our magazines were, in every respect, too scantily supplied. It was highly desirable to obviate these deficiencies before matters came to extremity.

Moreover, the longer we kept out of war, if obliged to go into it at last, the shorter would be the duration of the calamities incident to it.

The circumstances of the injury of which we more immediately complain afforded an additional reason for preceding reprisals by negotiation. The order of the 6th of November directed neutral vessels to be brought in for adjudication. This was an equivocal phrase; and though there was too much cause to suspect that it was intended to operate as it did, yet there was a possibility of misconstruction; and that possibility was a reason, in the nature of the thing, for giving the English Government an opportunity of explaining before retaliations took place.

To all this it may be added, that one of the substitutes for the plan pursued, the sequestration of debts, was a measure no less dishonest than impolitic; as will be shown in the remarks which will be applied to the 10th article of the treaty.

But is it unimportant to the real friends of republican government, that the plan pursued was congenial to the public character which is ascribed to it? Would it have been more desirable that the government of our Nation, outstripping the war maxims of Europe, should, without a previous demand of reparation, have rushed into reprisals, and consequently into a war?

However this may be, it is a well-ascertained fact, that our country never appeared so august and respectable as in the position which it assumed upon this occasion. Europe was struck with the dignified moderation of our conduct; and the character of our Government and Nation acquired a new elevation.

It cannot escape an attentive observer, that the language which, in the first instance, condemned the mission of an Envoy Extraordinary to Great Britain, and which now condemns the treaty negotiated by him, seems to consider the United States as among the first-rate powers of the world in point of strength and resources, and proposes to them a conduct predicated upon that condition.

To underrate our just importance would be a degrading error. To overrate it may lead to dangerous mistakes.

A very powerful state may frequently hazard a high and haughty tone with good policy; but a weak state can scarcely ever do it without imprudence. The last is yet our character; though we are the embryo of a great empire. It is, therefore, better suited to our situation to measure each step with the utmost caution; to hazard as little as possible, in the cases in which we are injured; to blend moderation with firmness; and to brandish the weapons of hostility only when it is apparent that the use of them is unavoidable.

It is not to be inferred from this, that we are to crouch to any power on earth, or tamely to suffer our rights to be violated. A nation which is capable of this meanness will quickly have no rights to protect, or honor to defend.

But the true inference is, that we ought not lightly to seek or provoke a resort to arms; that, in the differences between us and other nations, we ought carefully to avoid measures which tend to widen the breach; and that we should scrupulously abstain from whatever may be construed into reprisals, till after the employment of all amicable means has reduced it to a certainty that there is no alternative.

If we can avoid a war for 10 or 12 years more, we shall then have acquired a maturity, which will make it no more than a common calamity, and will authorize us, in our national discussions, to take a higher and more imposing tone.

This is a consideration of the greatest weight to determine us to exert all our prudence and address to keep out of war as long as it shall be possible; to defer, to a state of manhood, a struggle to which infancy is ill adapted. This is the most effectual way to disappoint the enemies of our welfare; to pursue a contrary conduct may be to play into their hands, and to gratify their wishes. If there be a foreign power which sees with envy or ill will our growing prosperity, that power must discern that our infancy is the time for clipping our wings. We ought to be wise enough to see that this is not a time for trying our strength.

Should we be able to escape the storm which at this juncture agitates Europe, our disputes with Great Britain terminated, we may hope to postpone war to a distant period. This, at least, will greatly diminish the chances of it. For then there will remain only one power with whom we have any embarrassing discussions. I allude to Spain, and the question of the Mississippi; and there is reason to hope that this question, by the natural progress of things, and perseverance in an amicable course, will finally be arranged to our satisfaction without the necessity of the dernier ressort.

The allusion to this case suggests one or two important reflections. How unwise would it have been to invite or facilitate a quarrel with Great Britain at a moment when she and Spain were engaged in a common cause, both of them having, besides, controverted points with the United States. How wise will it be to adjust our differences with the most formidable of these two powers, and to have only to contest with one of them.

This policy is so obvious, that it requires an extraordinary degree of infatuation not to be sensible of it, and not to view with favor any measure which tends to so important a result.

This cursory view of the motives which may be supposed to have governed our public councils in the mission to Great Britain, serves not only to vindicate the measures then pursued, but warns us against a prejudiced judgment of the result, which may, in the end, defeat the salutary purposes of those measures.

I proceed now to observe summarily that the objects of the mission, contrary to what has been asserted, have been substantially obtained. What were these? They were principally:

1. To adjust the matters of controversy concerning the inexecution of the treaty of peace, and especially to obtain restitution of our Western posts.

2. To obtain reparation for the captures and spoliations of our property in the course of the existing war.

Both these objects have been provided for, and it will be shown, when we come to comment upon the articles which make the provisions in each case, that it is a reasonable one, as good a one as sought to have been expected; as good a one as there is any prospect of obtaining hereafter; one which it is consistent with our honor to accept, and which our interest bids us to close with.

The provisions with regard to commerce were incidental and auxiliary. The reasons which may be conceived to have led to the including of the subject in the mission will be discussed in some proper place.

CAMILLUS.

No. III

1795.

The opposers of the treaty seem to have put invention on the rack, to accumulate charges against it, in a great number of cases, without regard even to plausibility. If we suppose them sincere, we must often pity their ignorance; if insincere, we must abhor the spirit of deception which it betrays. Of the preposterous nature of some of their charges, specimens will be given in the course of these remarks; though, while nothing which is colorable will remain unattended to, it were endless to attempt a distinct refutation of all the wild and absurd things which are and will be said. It is vain to combat the vagaries of diseased imaginations. The monsters they engender are no sooner destroyed than new legions supply their places. Upon this, as upon all former occasions, the good sense of the people must be relied upon; and it must be taken for granted, that it will be sufficient for their conviction to give solid answers to all such objections as have the semblance of reason; that now, as heretofore, they will maintain their character abroad and at home for deliberation and reflection, and disappoint those who are in the habit of making experiments upon their credulity, who, treating them as children, fancy that sugarplums and toys will suffice to gain their confidence and attachment, and to lead them blindfold withersoever it is desired.

In considering the treaty, it presents itself under two principal heads: The permanent articles, which are the first 10, and which, with some supplementary provisions, adjust the controverted points between the 2 countries; and the temporary articles, which are all the remaining ones, and which establish the principles of mutual intercourse, as to general navigation and commerce. The

manner of the discussion will correspond with this natural division of the subject.

An objection meets the treaty at the threshold. It is said that our envoy abandoned the ground which our Government had uniformly held, and with it our rights and interests as a nation, by acceding, in the preamble of the treaty, to the idea of terminating the differences between the two countries, "in such a manner as, without reference to the merits of their respective complaints and pretensions, may be best calculated to produce mutual satisfaction and good understanding."

It is observed, in support of this, that our Government has constantly charged the first breaches of the treaty upon Great Britain, in the two particulars of carrying away the Negroes and detaining the posts; that while the evacuation of New York was going on, a demand of the surrender of the Negroes was made by Congress, through our commander in chief, which not being complied with, commissioners were sent to ascertain the number carried away, with a view to a claim of compensation; that early and repeated applications were also made for the surrender of the western posts, which not only was not done, but it is proved by the circumstances that orders were not given for it, according to the true intent of the treaty, and that there was, from the beginning, a design to infract, and a virtual infraction of the article with respect to this object. All this, it is alleged, has been the uniform language of our Government, and has been demonstrated by Mr. Jefferson to be true, in his letter to Mr. Hammond, of the 29th of May 1792; and it is asserted that the ground ought not to have been given up by Mr. Jay, because it was the standard of the mutual rights and duties of the parties, as to the points unexecuted of the treaty of peace.

A proper examination of these matters is therefore called for, not only by the specific objection which is made to the principle which is contained in the preamble, but by the influence which a right solution is calculated to have, in giving a favorable or unfavorable complexion to the whole plan of the adjustment.

It is true, as suggested, that our Government has constantly charged as breaches of the treaty by Great Britain, the two particulars which have been stated; but it is believed to be not true, that it has uniformly charged them as first breaches of the treaty. Individuals may have entertained this idea. The State of Virginia seems to have proceeded upon it in some public acts; but as far as is recollected, that ground was never formally or explicitly taken by the Government of the United States until the above-mentioned letter from Mr. Jefferson to Mr. Hammond, when, for the first time, an attempt was made to vindicate or excuse the whole conduct of this country, in regard to the treaty of peace, contrary, I will venture to say, to the general sense of well-informed men.

The most solemn act of our Government on this head is an address of Congress to the different States, of the 13th of April 1787.

This address admits contraventions of the treaty on our part; and instead of deriving either justification or extenuation of them from prior infractions by Great Britain, urges the different States to a repeal of all contravening laws.

But if the fact, in this respect, were admitted to be, as stated by the adversaries of the treaty, it would not authorize their conclusion.

It would not follow, that, because the ground had been taken by the Government, it ought to have been pertinaciously kept, if, upon fair examination, it had appeared to be not solid, or if an adherence to it would have obstructed a reasonable adjustment of differences.

Nations, no more than individuals, ought to persist in error, especially at the sacrifice of their peace and prosperity; besides, nothing is more common, in disputes between nations, than each side to charge the other with being the aggressor or delinquent. This mutual crimination, either from the nature of circumstances, or from the illusions of the passions, is sometimes sincere; at other times it is dictated by pride or policy. But in all such cases, where one party is not powerful enough to dictate to the other, and where there is a mutual disposition to avoid war, the natural retreat for both is in compromise, which waives the question of first aggression or delinquency. This is the salvo for national pride; the escape for mutual error; the bridge by which nations, arrayed against each other, are enabled to retire with honor, and without bloodshed, from the field of contest. In cases of mutual delinquency, the question of the first default is frequently attended with real difficulty and doubt. One side has an equal right with the other to have and maintain its opinion. What is to be done when the pride of neither will yield to the arguments of the other? War, or a waiver of the point, is the alternative. What sensible man, what humane man, will deny that a compromise, which secures substantially the objects of interest, is almost always preferable to war on so punctilious and unmanageable a point?

Reject the principle of compromise, and the feuds of nations must become much more deadly than they have hitherto been. There would scarcely ever be room for the adjustment of differences without an appeal to the sword; and, when drawn, it would seldom be sheathed but with the destruction of one or the other party. The earth, now too often stained, would then continually stream with human gore.

From the situation of the thing, and of the parties, there never could be a rational doubt that the compromising plan was the only one on which the United States and Great Britain could ever terminate their differences without war; that the question, who was the first delinquent, would have been an eternal bar to accommodation, and consequently, that a dismission of that question was a prerequisite to agreement. Had our envoy permitted the negotiation to be arrested by obstinacy on this head, he would have shown himself to be the diplomatic pedant, rather than the able negotiator, and would have been justly chargeable with sacrificing to punctilio the peace of his country. It was enough for him, as he did, to ascertain, by a preliminary discussion, the impossibility of bringing the other party to concede the point.

An impartial survey of the real state of the question will satisfy candid and discerning men, that it was wise and politic to dismiss it. This shall be attempted.

It has been observed that two breaches of the treaty of peace are charged upon Great Britain: the carrying away of the Negroes, and the detention of the posts. It remains to investigate the reality of these breaches, and to fix the periods when they can be said to have happened.

As to the Negroes, the true sense of the article in the treaty of peace, which respects them, is disputed.

The words of the stipulation are (art. 7) that "His Britannic Majesty shall, with all convenient speed, and without causing any destruction or carrying away any Negroes or other property of the American inhabitants, withdraw all his armies, garrisons, and fleets from the United States."

These terms admit of two constructions: one, that no Negroes, or other articles which had been American property, should be carried away; the other, that the evacuations were to be made without depredation; consequently, that no new destruction was to be committed, and that Negroes, or other articles, which, at the time of the cessation of hostilities, continued to be the property of American inhabitants, unexchanged by the operations of war, should be forborne to be carried away.

The first was the construction which was adopted by this country; and the last is that insisted upon by Great Britain.

The arguments which support her construction are these:

1. The established laws of war give to an enemy the use and enjoyment, during the war, of all real property, of which he obtains possession, and the absolute ownership of all personal property which falls into his hands. The latter is called booty; and, except ships, becomes vested in the captors the moment they acquire a firm possession. With regard to ships, it seems to be a general rule of the marine law that condemnation is necessary to complete investment of the property in the captor.

2. Negroes, by the laws of the States in which slavery is allowed, are personal property. They, therefore, on the principle of those laws, like horses, cattle, and other movables, were liable to become booty, and belonged to the enemy as soon as they came into his hands. Belonging to him, he was free either to apply them to his own use, or set them at liberty. If he did the latter, the grant was irrevocable, restitution was impossible. Nothing in the laws of nations or in those of Great Britain will authorize the resumption of liberty, once granted to a human being.

3. The Negroes in question were either taken in the course of military operations, or they joined the British Army upon invitation by proclamation. However dishonorable to Great Britain the latter may have been, as an illiberal species of warfare, there is no ground to say that the strict rules of war did not warrant it; or that the effect was not, in the one case, as well as in the other, a change of property in the thing.

4. The stipulation relates to "Negroes or other property of the American inhabitants"; putting Negroes on the same footing with any other article. The characteristic of the subject of the stipulation being property of American inhabitants, whatever had lost that character could not be the object of the stipulation. But the Negroes in question, by the laws of war, had lost that character; they were therefore not within the stipulation.

Why did not the United States demand the surrender of captured vessels, and of all other movables, which had fallen into the hands of the enemy? The answer is, Because commonsense would have revolted against such a construction. No one could believe that an indefinite surrender of all the spoils or booty of a 7-years' war was ever intended to be stipulated; and yet the demand for a horse, or an ox, or a piece of furniture, would have been as completely within the terms "Negroes and other property" as a Negro; consequently, the reasoning which proves that one is not included excludes the other.

The silence of the United States as to every other article is therefore a virtual abandonment of that sense of the stipulation which requires the surrender of Negroes.

5. In the interpretation of treaties, things odious or immoral are not to be presumed. The abandonment of Negroes, who had been induced to quit their masters on the faith of official proclamation, promising them liberty, to fall again under the yoke of their masters, and into slavery, is as odious and immoral a thing as can be conceived. It is odious, not only as it imposes an act of perfidy on one of the contracting parties, but as it tends to bring back to servitude men once made free. The general interests of humanity conspire with the obligation which Great Britain had contracted towards the Negroes,

to repel this construction of the treaty, if another can be found.

6. But another and a less exceptionable construction is found in considering the clause as inserted, for greater caution, to secure evacuations without depredation. It may be answered that this was superflous, because hostilities having ceased, the stipulation to surrender implied of itself that it was to be done without depredation. But to this the reply is, that a part of the clause manifestly contemplates the case of new depredations, and provides a guard against it, in the promise that the evacuations shall be made without causing any destruction. To cause destruction is to do some new act of violence. This reflection destroys the argument drawn from the superfluousness of the stipulation in the sense here given to it, and by showing that it must have such a sense in one part, authorizes the conclusion, that the remainder of the clause has a similar sense. The connection of the two things, in parts of one sentence, confirms this inference.

These arguments certainly have great weight, and do not admit of easy refutation. It is a fact, too, that the opinions of some of the ablest lawyers of our own country have, from the beginning, corresponded with the construction they enforce.

It is not enough for us to be persuaded, that some of the negotiators, who made the peace, intended the article in our sense. It is necessary that it should be found in the instrument itself, and, from the nature of it, ought to have been expressed with clearness and without ambiguity. If there be real ambiguity in such a case, the odiousness of the effect will incline the scale against us.

It does not remove the difficulty, to say, that compensation for the Negroes might have been a substitute for the thing. When one party promises a specific thing to another, nothing but the thing itself will satisfy the promise. The party to whom it is made cannot be required to accept in lieu of it an equivalent. It follows, that compensation for the Negroes would not have been a performance of the stipulation to forbear to carry them away; and therefore, if there be any thing odious in the specific thing itself, the objection to the interpretation which requires it is not done away by the idea of substituting compensation. For the article does not admit such substitution, and its sense cannot be defined by what it does admit.

Some color to our sense of the article results from these expressions in the same clause, "leaving in all fortifications the American artillery that may be therein." But this expression is not of equivalent force to that of property of American inhabitants. For example, suppose an American ship to have been captured and condemned, it might still be said of her, in a certain sense, this is an "American ship," alluding to the country of which she had been the ship; but it could not be said in any sense of her, this ship is American property, or the property of American inhabitants. The country of which a thing was, may often be used with aptness as a term of description of that thing, though it may have changed owners; but the term property, which is synonymous with ownership, can never be used in the present tense as descriptive of an ownership which has ceased. Moreover, if the expressions in the two cases had been (as they are not) of equivalent force, it would not follow that they were to have the same meaning in both cases, being applied to different matters. For an odious consequence in one instance, would be a reason for rejecting a particular sense of a word or phrase, which would be proper in another, to which no such consequence was attached.

Let me now ask this question of any candid man: Is our construction of the article respecting the Negroes so much better supported than that of Great Britain, as to justify our pronouncing with positiveness, that the carrying them away was a breach of the treaty?

To me it appears clear that this must be considered, speaking favorably for us, as a very doubtful point, and that we cannot, with confidence, predicate a breach of the treaty by Great Britain upon this event. If it was one, it happened in May 1783.

The affair of the Western posts is now to be examined. That the detention of them, after the proper point of time for delivering them up, was a breach of the treaty, will not bear a dispute. But what that proper time was, is a serious question between the two parties.

Our Government has contended, that the posts ought to have been surrendered with all convenient speed after the provisional treaty took effect; and Mr. Jefferson, who is much cited on the present occasion, has shown by an ingenious and elaborate deduction of circumstances, that this was not only not done but never intended.

But Mr. Jefferson has not even discussed the question, whether the provisional or the definitive treaty was the act from which the obligation to perform was to date. This is an important omission; for Great Britain affirms the definitive treaty to be the criterion.

As an original question much might be said on both sides. The natural relation of the terms provisional or preliminary and definitive, seems to exhibit the former as inchoate and imperfect, and to refer to the latter the conclusive obligatory force and legal perfection. There is room, therefore, to say, that all but the mere cessation of hostilities, or for the execution of which there is no precise point of time fixed in the preliminary articles, is referred to in the definitive treaty.

On the other hand, it may be argued, that a preliminary treaty is as much a national treaty as a definitive one, both being made by an equal and a competent authority; and that there is no good reason why those things which are sufficiently regulated by the preliminary, should not go into immediate and complete effect, equally as if regulated by the definitive treaty; or why the latter should be considered as anything more than an instrument for adjusting points which may have been left open by the preliminary articles, and for giving more perfect form. Accordingly, there are examples of preliminary treaties going into mutual and full execution, though never followed by definitive treaties.

But, however, this question may have stood on principle, the conduct of our Government in the particular case has settled it against us, and has completely sanctioned the doctrine of Great Britain.

If performance was to date from the provisional articles, this applies as well to us as to Great Britain. It was incumbent upon Congress to have notified the treaty, with the proper solemnities, to the different States and their citizens; to have made the recommendations stipulated by the fifth article; and to have enjoined the observance of all those things which we promised on our part. The nature of some of these stipulations rendered it particularly urgent that no time should be lost. But all was deferred till the ratification in this country of the definitive treaty. The 15th of January, 1784, is the date of the act which attempts to carry the treaty into effect on our part. This then is a practical settlement by ourselves of the principle, that performance was to date from the definitive treaty.

It is no objection to the position, that our seaports were previously evacuated. That was matter of mutual convenience; and though done, does not change the state of strict obligation between the parties. Even in the view of liberal and conciliating procedure, the prompt surrender of our seaports is, for obvious reasons, a very different thing.

But our dilemma is this, if the delay of orders for evacuating the Western posts, previous to the ratification of the definitive treaty, was, on the part of Great Britain, a breach of treaty, our delay to act upon the points stipulated by us, till after that ratification, must have been equally a breach of treaty; and it must have been at least contemporary with any breach that could have been committed by Great Britain.

We are compelled, then, by our own example to agree with Great Britain, that she was not obliged to surrender the Western posts till after the mutual ratification of the definitive treaty, and to abandon the superstructure, however soothing to our wishes, which has been reared upon a different foundation. If so, we must look to the period of the exchange of the ratification in Europe for the date of the orders for evacuating. I have not in my possession materials for fixing with accuracy that period; but considering the time of the ratification here, and the time of its probable arrival in England, we are carried to the latter end of April, or beginning of May, 1784; so that it is not till about May, 1784, that we can charge upon Great Britain a delinquency as to the surrender of the posts.

Having now examined the nature of the infractions of the treaty of peace charged upon Great Britain with reference to dates, I shall, in the next number of this defense, trace some instances of infraction on our part with a like reference. The conclusions to be drawn from this comparison, if I mistake not, will greatly disconcert some articles of the prevailing creed on this head, and go far toward confirming what was preliminarily offered to evince the prudence of our envoy in relinquishing the favorite ground.

CAMILLUS.

No. IV

1795.

An accurate enumeration of the breaches of the treaty of peace on our part, would require a tedious research. It will suffice to select and quote a few of the most prominent and early instances.

One of the earliest is to be found in an act of this State, for granting a more effectual relief in cases of certain trespasses, passed March 17, 1783. This act takes away from any person (subjects of Great Britain of every description included) who had, during the war, occupied, injured, destroyed, or received property, real or personal, of any inhabitant without the British lines, the benefit of the plea of a military order; consequently the justification which the laws and usages of war give, and the immunity resulting from the reciprocal amnesty which, expressly or virtually, is an essential part of every treaty of peace. To this it may be added that it was considered by Great Britain as a direct infraction of the sixth article of her treaty with us, which exempts all persons from prosecution "by reason of the part they might have taken in the war."

Mr. Jefferson, not controverting the point that the provisions of this act were contrary to the treaty, endeavors to get rid of the inference from it, by alleging three things: (1) That it passed antecedently to the treaty, and so could not be a violation of an act of subsequent date. (2) That the treaty was paramount to the laws of the particular States, and operated a repeal of them. (3) That the exceptionable principle of this act was never sanctioned by the courts of justice, and in one instance (the case of Rutgers and Waddington in the mayor's court) was overruled.

As to the first point, it is sufficient to answer, that the law continued to operate, in fact, from the time of the treaty till the

4th of April, 1787, when there was a repeal of the exceptionable clause, by an act of our legislature. During the period of 4 years, many suits were brought and many recoveries had; extending even to persons who had been in the military service of Great Britain.

To the second point, these observations may be opposed:

The articles of the Confederation did not, like our present Constitution, declare that treaties were supreme laws of the land. The United States, under that system, had no courts of their own, to expound and enforce their treaties as laws. All was to depend upon the comparative authority of laws and treaties, in the judgment of the State courts.

The question, whether treaties were paramount to, and a virtual repeal of, antecedent laws, was a question of theory, about which there was room for, and in this country did exist, much diversity of opinion. It is notorious, that it has been strenuously maintained that however a national treaty ought, in good faith, to be conclusive on a State, to induce a repeal of laws contrary to it, yet its actual laws could not be controverted by treaty, without an actual repeal by its own authority. This doctrine has been emphatically that of the party distinguished by its opposition to national principles.

And it is observable, that Congress, not relying entirely upon the force of the treaty to abrogate contravening laws, in their address already cited, urge the States to a repeal of those laws. It is likewise observable in respect to the very act under consideration, that the legislature of the State, in April 1787 thought a positive repeal of the exceptionable clause necessary.

The complaints of a power whose treaty with us was, in fact, violated by the operation of a State law, could never be satisfactorily answered by referring to a theoretic, abstract, disputed proposition. Such a power might reply with irresistible force: "It is not for us to concern ourselves about the structure and meaning of your political constitutions, or the force of legal maxims deductible from the forms and distributions of power which you have adopted for your government. It is the act in which alone we are interested; you have stipulated this and that to us—your stipulation in practice is contravened. It is your duty to see that there are no impediments from conflicting authorities within yourselves, to an exact fulfillment of your promises. If you suffer any such impediment to exist, you are answerable for the consequences."

As to the third point, it is to be observed, that though there may have been no express formal decision of our courts, enforcing the exceptionable principle of the trespass act, yet there never was a decision of a Supreme Court against it; and it may not be amiss to remark incidentally, that the decision of the mayor's court, from which Mr. Jefferson is glad to derive an exculpation of our conduct, was the subject of a severe animadversion at a popular meeting in this city, as a judiciary encroachment on the legislative authority of the State. The truth on this point is, that according to the opinion of our bar, a defense under a military order was desperate, and it was believed that a majority of our Supreme Court bench would overrule the plea. Hence, in numerous cases where it might have been used, it was waived; and the endeavor on behalf of the defendants was either to effect, on collateral grounds, a mitigation of damages, or to accomplish the best compromises that could be obtained; even the suit of Rutgers and Waddington, after a partial success in the mayor's court, was terminated by a compromise, according to the advice of the defendant's council, owing to the apprehension of an unfavorable issue in the Supreme Court; and this, notwithstanding the defendant was a British subject.

Under these circumstances, which are faithfully represented, is it possible to doubt, that the act in question operated a breach of our treaty with Great Britain—and this from the commencement of its existence? Can we reasonably expect that nations with whom we have treaties will allow us to substitute theoretic problems to performances of our engagements, and will be willing to accept them as apologies for actual violations?

It is pertinent to remark that the British commander in chief very early remonstrated against this act; but the remonstrance produced no effect.

Another act of the State of New York may be cited as a violation of the treaty on our part, which must have been nearly contemporary with that of the detention of the posts. Its date is the 12th of May 1784. This act confirms, in express terms, all confiscations before made, notwithstanding errors in the proceedings, and takes away the writ of error upon any judgment previously rendered.

This was, in substance, a new confiscation; judgments which from error were invalid, were nullities. To take away the writ of error, by which their nullity might be established, was to give them an efficacy which they did not before possess; and, as to the operation, cannot be distinguished from the rendering of new judgments. To make voidable acts of confiscation valid and conclusive, is equivalent to new acts of confiscation. A fair execution of the treaty required that everything in this respect should be left where it was, and forbade the remedying of defects in former proceedings, as much as the restitution of new judgments.

Another and an unequivocal breach of the treaty is found in an act of South Carolina, of March 26, 1784. This act suspends the recovery of British debts for 9 months, and then allows them to be recovered only in four yearly installments, contrary to the express stipulation of the fourth article, "that creditors on either side shall meet with no lawful impediments to the recovery of the full value in sterling money of all bona fide debts theretofore contracted."

It is idle to attempt to excuse infractions of this kind by the pleas of distress and inability. This is to make the convenience of one party the measure of its obligation to perform its promises to another. If there was really an impossibility of payment, as has been pretended, there was no need of legislative obstruction; the thing would have regulated itself; and the very interest of the creditor was a pledge that no general evil could have resulted from allowing a free course to the laws. If such impediments could be justified, what impediments might not be justified? What would become of the article, the only one in the treaty, to be performed by us, of real consequence to Great Britain?

This infraction by South Carolina was prior to that of the detention of the posts by Great Britain.

But the case of Virginia is still stronger than that of South Carolina. There is evidence which cannot be disputed, that her courts, in defiance of the treaty, have constantly remained shut to the recovery of British debts, in virtue of laws passed during the war.

An act of her General Assembly of the 22d June, 1784, after suggesting as breaches of the treaty by Great Britain the carrying off of the Negroes and the detention of the posts, after instructing her delegates in Congress to request a remonstrance to the British court complaining of these infractions and desiring reparation, and after declaring that the national honor and interest of the citizens of that Commonwealth obliged the Assembly to withhold their cooperation in the complete fulfilment of the said treaty, until the success of the aforementioned remonstrance is known, or Congress shall signify their sentiments touching the premises, concludes with the following resolution:

"That so soon as reparation is made for the foregoing infraction, or Congress shall judge it indisputably necessary, such acts and parts of acts passed during the late war, as inhibit the recovery of British debts, ought to be repealed, and payment thereof made in such time and manner as shall consist with the exhausted situation of the Commonwealth."

The plain language of this resolution is, that there were acts passed during the war, which then actually inhibited the recovery of British debts; and that for the removal of this inhibition, a repealing act by the authority of Virginia was necessary.

However unfounded this position might have been in theory, here is conclusive evidence that the fact in Virginia was conformable to it; that her courts had been, ever since the peace, then were, and until a repealing law was passed were likely to continue, to be shut against the recovery of British debts. When testimony of this kind was urged by the British minister, was it possible for our envoy to make any solid reply? Who could be supposed to know better than the Legislature of Virginia the real State of the fact? When that legislature declared it to be as has been stated, who or what could contradict it? With what truth has it been asserted, that "it was at all times perfectly understand" that treaties controlled the laws of the States?

Additional proof of the contrary is found in the subsequent conduct of Virginia. On the 12th of December 1787, the State passed an act repealing all such acts or parts of acts of the State as had prevented or might prevent the recovery of debts due to British subjects according to the true intent of the treaty; but with this proviso, that there should be a suspension of the repeal till the Governor, by advice of council, had, by proclamation, notified that Great Britain had delivered up the posts, and was taking measures for the further fulfillment of the treaty, by delivering up the Negroes, or by making compensation for them. This denotes clearly, that in the opinion of the Legislature of Virginia there were acts of that State which had prevented and might prevent the recovery of debts according to the treaty.

It is observable, too, that the resolutions of June 1784, do not even give the expectation of a complete repeal of the impeding laws, in the event of reparation of the breaches of treaty by Great Britain. They only promise such a modification of them as would permit the payment in such time and manner as should consist with the exhausted situation of the Commonwealth; that is, not according to the true intent of the treaty, but according of the opinion of the Legislature of Virginia of the abilities of the Commonwealth.

As the infraction which these proceedings of Virginia admit resulted from acts passed during the war, it was of course coeval with the first existence of the treaty of peace, and seems to preclude the possibility of any prior breach by Great Britain. It has been at least demonstrated, that the detention of the posts was not such prior breach, as there was no obligation to surrender till after the exchange of the ratifications of the definitive treaty in England.

I pass by the serious contraventions of the treaty in this important article of the debts, which are of later date, because they do not affect the question of the first breach, though they are of great weight to demonstrate the obligation of the United States to make compensation.

The argument, then, upon the whole, as to the question of the first breach, stands thus: It is a great doubt whether the carry-

ing away of the Negroes was at all a breach. If it was one, the Trespass Act of this State preceded it in date, and went into operation the very moment it was possible to issue process. The detention of the posts is subsequent to breaches of the article concerning their recovery of debts on our part. This, in the case of South Carolina, is determined by the date of her act (Mar. 26, 1784), which is before the exchange of the ratifications of the definitive treaty could have taken place. In that of Virginia, it results from her own testimony, that impediments to the recovery of British debts, created by acts passed during the war, continued from the first moment of the peace until after the year 1787. Or if, contrary to our own interpretation, we are disposed to adhere to the provisional treaty, as the act from which performance was to date, we are guilty of a breach in not acting ourselves upon that treaty; a breach which, being contemporary with the existence of the treaty, seems not to admit of any prior contravention. From all which it follows, that take what ground we will, we must be perplexed to fix the charge of the first breach of the treaty upon Great Britain.

Let the appeal be to the understandings and hearts of candid men—men who have force of mind sufficient to rescue themselves from the trammels of prejudice, and who dare to look even unpalatable truths in the face. Let such men pronounce, whether they are still satisfied that Great Britain is clearly chargeable with the first breaches of the treaty? Whether they are not, on the contrary, convinced that the question is one so mixed and doubtful, as to render a waiver of it, even on the score of intrinsic merit, expedient on our part? and specially whether they can entertain a particle of doubt, That it was wiser to waive it than to suffer it to prove a final obstacle to the adjustment of a controversy on which the peace of their country was suspended? This was undoubtedly the alternative to our envoy. In the choice he made, the ultimate opinion of our enlightened country cannot fail to applaud his prudence.

CAMILLUS.

No. V

1795.

The discussion in the last two numbers has shown, if I mistake not, that this country by no means stands upon such good ground, with regard to the inexecution of the treaty of peace, as some of our official proceedings have advanced, and as many among us have too lightly credited. The task of displaying this truth has been an unwelcome one. As long as a contrary doctrine was either a mere essay of polemical skill, or a convenient ingredient of negotiation, it was natural for those who thought differently of it, to prefer silence to contradiction; but when it is made the engine of great errors, of national conduct, of excessive pretentions, which forbid a reasonable accommodation of national difference, and endanger rupture and war, on grounds which reason disapproves and prudence condemns, it becomes an indispensable duty to expose its hollowness and fallacy. Reserve then would be a crime. The true patriot, who never fears to sacrifice popularity to what he believes to be the cause of public good, cannot hesitate to endeavor to unmask the error, though with the certainty of incurring the displeasure and censure of the prejudiced and unthinking.

The disposition to infract the treaty, which, in several particulars, discovered itself among us, almost as soon as it was known to have been made, was, from its first appearance, a source of humiliation, regret, and apprehension to those who could dispassionately estimate the consequences, and who felt a proper concern for the honor and character of the country. They perceived that besides loss of reputation, it must sooner or later lead to very serious embarrassments. They have been hitherto mistaken in no part of their anticipations; and if their faithful warning voice, now raised to check the progress of error, is as little listened to as when it was raised to prevent the commencement of it, there is too much cause to fear, that the experience of extensive evils may extort regrets which the foresight of an enlightened people ought to avert.

Citizens of United America as you value your present enviable lot, rally around your own good sense. Expel from your confidence, men who have never ceased to misadvise you. Discard intemperate and illiberal passions. Aspire to the glory of the greatest triumph which a people can gain, a triumph over prejudice. Be just, be prudent. Listen impartially to the unadulterated language of truth. And, above all, guard your peace with anxious vigilance against all the artful snares which are laid for it. Accompany me with minds open to conviction, in a discussion of unspeakable importance to your welfare.

Weigh well, as preliminary to further investigation this momentous proposition. "Peace, in the particular situation of this independent country, is an object of such great and primary magnitude, that it ought not to be relinquished, unless the relinquishment be clearly necessary to preserve our honor in some unequivocal point, or to avoid the sacrifice of some right or interest of material and permanent importance." This is the touchstone of every question which can come before us respecting our foreign concerns.

As a general proposition, scarcely any will dispute it; but in the application of the rule there is much confusion of ideas—much false feeling, and falser reasoning. The ravings of anger and pride are mistaken for the suggestions of honor. Thus are we told in a delirium of rage, by a gentleman of South Carolina, that our envoy should have demanded an unconditional relinquishment of the Western posts as a right; till which was granted, and until Lord Grenville had given orders to Lord Dorchester to that effect, open, to be sent to our President, to be by him forwarded, he should not have opened his lips about the treaty. It was prostrating the dearest rights of freemen, and laying them prostrate at the feet of royalty.

In a case of incontestible mutual infractions of a treaty, one of the parties is to demand, peremptorily of the other, an unconditional performance upon his part, by way of preliminary, and without negotiation. An envoy sent to avert war, carrying with him the clearest indications of a general solicitude of his country that peace might be preserved, was, at the very first step of his progress, to render hostility inevitable, by exacting, not only what could not have been complied with, but what must have been rejected with indignation. The Government of Great Britain must have been the most abject on earth, in a case so situated, to have listened for a moment to such a demand. And because our envoy did not pursue this frantic course—did not hold the language of an imperious bashaw to his trembling slave, he is absurdly stigmatized as having prostrated the rights of freemen at the foot of royalty. What are we to think of the state of mind which could produce so extravagant a sally? Would a prudent people have been willing to have entrusted a negotiation which involved their peace to the author of it? Will they be willing to take him as their guide in a critical emergency of their affairs? [2]

[2] No man in the habit of thinking well either of Mr. Rutledge's head or heart but must have felt, at reading the passages of his speech which have been published, pain, surprise, and mortification. I regret the occasion, and the necessity of animadversion.

True honor is a rational thing. It is as distinguishable from quixotism as true courage from the spirit of the bravo. It is possible for one nation to commit so undisguised and unqualified an outrage upon another as to render a negotiation of the question dishonorable. But this seldom, if ever, happens. In most cases, it is consistent with honor to precede rupture by negotiation, and whenever it is, reason and humanity demand it. Honor cannot be wounded by consulting moderation. As a general rule, it is not till after it has become manifest that reasonable reparation for a clear premeditated wrong cannot be obtained by an amicable adjustment, that honor demands a resort to arms. In all the questions between us and Great Britain, honor permitted the moderate course; in those which regard the inexecution of the treaty of peace, there had undoubtedly been mutual faults. It was, therefore, a case for negotiation and mutual reparation. True honor, which can never be separated from justice, even requires reparation from us to Great Britain, as well as from her to us. The injuries we complain of in the present war, were also of a negotiable kind. The first was bottomed on a controverted point in the laws of nations. The second left open the question, whether the principal injury was a designed act of the Government or a misconstruction of its courts? To have taken, therefore, the imperious ground which is recommended, in place of that which was taken, would have been not to follow the admonitions of honor, but to have submitted to the impulse of passion and frenzy.

So likewise, when it is asserted that war is preferable to the sacrifice of our rights and interests, this, to be true, to be rational, must be understood of such rights and interests as are certain, as are important, such as regard the honor, security, or prosperity of our country. It is not a right disputable, or of small consequence, it is not an interest temporary, partial, and inconsiderable, which will justify, in our situation, an appeal to arms.

Nations ought to calculate as well as individuals, to compare evils, and to prefer the lesser to the greater; to act otherwise, is to act unreasonably; those who counsel it are impostors or madmen.

These reflections are of a nature to lead to a right judgment of the conduct of our envoy in the plan of adjustment to which he has given his assent.

Three objects, as has appeared, were to be aimed at, on behalf of the United States: (1) Compensation for Negroes carried away. (2) Surrender of the Western posts. (3) Compensation for spoliation during the existing war.

Two of these objects, and these in every view the most important, have been provided for; how fully, will be examined hereafter. One of them has been given up—to wit: compensation for the Negroes.

It has been shown, as I trust, to the conviction of dispassionate men, that the claim of compensation for the Negroes is, in point of right, a very doubtful one; in point of interest, it certainly falls under the description of partial and inconsiderable; affecting in no respect the honor or security of the Nation, and incapable of having a sensible influence upon its prosperity. The pecuniary value of the object is, in a national scale, trifling.

Not having before me the proper documents, I can only speak from memory. But I do not fear to be materially mistaken in stating that the whole number carried away, so ascertained as to have afforded evidence for a claim for compensation, was short of 3,000 persons, of whom about 1,300 were of 16 years and upwards, men, women, and children. Computing these at an average of $150 per head, which is a competent price, the amount would be $450,000, and not two or three millions, as has been pretended.

It is a fact, which I assert on the best authority, that our envoy made every effort in his power to establish our construction of the article relating to this subject, and to obtain compensation; and that he did not relinquish it till he became convinced that to insist upon it would defeat the purpose of his mission, and leave the controversy between the two countries unsettled.

Finding, at the same time, that the two other points in dispute could be reasonably adjusted, is there any one who will be rash enough to affirm that he ought to have broken off the negotiation on account of the difficulty about the Negroes? Yes, there are men who are thus inconsiderate and intemperate. But will a sober, reflecting people ratify their sentence?

What would such a people have said to our envoy, had he returned with this absurd tale in his mouth: "Countrymen. I could have obtained the surrender of your posts, and an adequate provision for the reparation of your losses by unjust captures; I could have terminated your controversy with Great Britain, and secured the continuance of your peace, but for one obstacle—a refusal to compensate for the Negroes carried away; on this point the British Government maintained a construction of the treaty different from ours, and adhered to it with inflexibility. I confess that there appeared to be much doubt concerning the true construction; I confess, also, that the object was of inconsiderable value. Yet it made a part of our claims, and I though the hazards of war preferable to a renunciation of it."

What would his adversaries have replied to him on such an occasion? No ridicule would have been too strong, no reproach too bitter. Their triumph would have been complete; for he would have been deservedly left without advocate, without apologist.

It cannot admit of a serious doubt, that the affair of the Negroes was too questionable in point of right, too insignificant in point of interest, to have been suffered to be an impediment to the immense objects which were to be promoted by an accommodation of differences acceptable in other respects. There was no general principle of national right or policy to be renounced. No consideration of honor forbade the renunciation; every calculation of interest invited to it. The evils of war for 1 month would outweigh the advantage, if at the end of it there was a certainty of attainment.

But was war the alternative? Yes, war or disgrace?

The United States and Great Britain had been brought to issue. The recent spoliations on our commerce, superadded to the evils of a protracted Indian War, connected with the detention of the western posts, and accompanied with indications of a design to contract our boundaries, obstructing the course of our settlements and the enjoyment of private rights, and producing serious and growing discontent in our Western country, rendered it indispensable that there should be a settlement of old differences, and a reparation of new wrongs; or, that the sword should vindicate our rights.

This was certainly, and with reason, the general sense of our country when our envoy left it. There are many indications that it was the opinion of our Government; and it is to be inferred, that our envoy understood the alternative to be as has been stated.

Indeed, what else could be contemplated? After the depredations which had been committed upon our commerce, after the strong sensibility which had been discovered upon the occasion in and out of our public councils, after an envoy extraordinary had been sent to terminate differences and obtain reparation; if nothing had resulted, was there any choice but reprisals? Should we not have rendered ourselves ridiculous and contemptible in the eyes of the whole world by forbearing them?

It is curious to observe the inconsistency of certain men. They reprobate the treaty as incompatible with our honor, and yet they affect to believe an abortion of the negotiations would not have led to war. If they are sincere, they must think that national honor consists in perpetually railing, complaining, blustering, and submitting. For my part, much as I deprecate war, I entertain no doubt that it would have been our duty to meet it with decision, had negotiation failed; that a due regard to our honor, our rights, and our interests would have enjoined it upon us. Nor would a pusillanimous passiveness have saved us from it. So unsettled a state of things would have led to fresh injuries and aggravations; and circumstances, too powerful to be resisted, would have dragged us into war. We should have lost our honor without preserving our peace. Nations in similar situations have no option but to accommodate differences, or to fight. Those which have strong motives to avoid war, should, by their moderation, facilitate the accommodation of differences. This is a rule of good sense, a maxim of sound policy.

But the misfortune is, that men will oppose imagination to fact. Though we see Great Britain predominant on the ocean; though we observe her pertinaciously resisting the idea of pacification with France, amid the greatest discouragements; though we have employed a man whose sagacity and integrity have been hitherto undisputed, and of a character far from flexible, to ascertain what was practicable; though circumstances favored his exertions; though much time and pains were bestowed upon the subject; though there is not only his testimony, but the testimony of other men who were immediately on the scene, and in whom there is every reason to confide, that all was attained which was attainable: yet we still permit ourselves to imagine, that more and better could have been done, and that by taking even now a high and menacing tone, Great Britain may be brought to our feet.

Even a style of politeness in our envoy has been construed to his disadvantage. Because he did not mistake strut for dignity, and rudeness for spirit; because he did not, by petulance and asperity, enlist the pride of the British court against the success of his mission, he is represented as having humiliated himelf and his nation. It is forgotten that mildness in the manner and firmness in the thing are most compatible with true dignity, and almost always go further than harshness and stateliness.

Suppositions that more could be done by displaying what is called greater spirit, are not warranted by facts. It would be extremely imprudent, on that basis, to trust ourselves to a further experiment—to the immense vicissitudes in the affairs of Europe, which from moment to moment may essentially vary the relative situations of the contending parties. If there ever was a state of things which demanded extraordinary circumspection, and forbade a spirit of adventure, it is that of the United States at the existing juncture, viewed in connection with the present very singular and incalculable posture of Europe.

But it is asked, to avoid Scylla, may we not run upon Charybdis? If the treaty should preserve our peace with Britain, may it not interrupt it with France? I answer, that to me there appears no room for apprehension. It will be shown in the course of the discussion, that the treaty interferes in no particular with our engagements to France, and will make no alteration whatever in the state of things between us and her, except as to the selling prizes in our ports, which, not being required by treaty, was originally permitted merely because there was no law to forbid it, and which being confined to France, was of very questionable propriety on the principles of neutrality, and has been a source of dissatisfaction to the other belligerent powers. This being the case, no cause of umbrage is given to France by the treaty, and it is as contrary to her interest as to inclination, wantonly to seek a quarrel with us. Prostrate indeed were our situation, if we could not, without offending France, make a treaty with another power, which merely tended to extinguish controversy, and to regulate the rules of commercial intercourse, and this not only without violating any duty to France, but without giving any preference to another. It is astonishing that those who affect so much nicety about national honor, do not feel the extreme humiliation of such an idea. As to the denomination of alliance with Great Britain which has been given to the treaty, it is an insult to the understandings of the people to call it by such a name. There is not a tittle of it which warrants the appellation.

CAMILLUS.

No. VI

1795.

There is one more objection to the treaty for what it does not do, which requires to be noticed. This is an omission to provide against the impressment of our seamen.

It is certain that our trade has suffered embarrassments in this respect, and that there have been abuses which have operated very oppressively upon our seamen; and all will join in the wish that they could have been guarded against in future by the treaty.

But it is easier to desire this, than to see how it could have been done. A general stipulation against the impressment of our seamen would have been nugatory, if not derogatory. Our right to an exemption is perfect by the laws of nations, and a contrary right is not even pretended by Great Britain. The difficulty has been, and is, to fix a rule of evidence, by which to discriminate our seamen from theirs, and by the discrimination to give ours protection, without covering theirs in our service. It happens that the two nations speak the same language, and in every exterior circumstance closely resemble each other; that many of the natives of Great Britain and Ireland are among our citizens, and that others, without being properly our citizens, are employed in our vessels.

Everybody knows that the safety of Great Britain depends upon her marine. This was never more emphatically the case, than in the war in which she is now engaged. Her very existence as an independent power, seems to rest on a maritime superiority.

In this situation, can we be surprised that there are difficulties in bringing her to consent to any arrangement which would enable us, by receiving her seamen into our employment, to detain them from her service? Unfortunately, there can be devised no method of protecting our seamen which does not involve that danger to her. Language and appearance, instead of being a guide, as between other nations, are, between us and Great Britain, sources of mistake and deception. The most familiar experience in the ordinary affairs of society proves, that the oaths of parties interested cannot be fully relied upon. Certificates of citizenship, by officers of one party, would be too open to the possibility of collusion and imposition, to expect that the other would admit them to be conclusive. If inconclusive, there must be a discretion to the other party which would destroy their efficacy.

In whatever light they may be viewed, there will be found an intrinsic difficulty in devising a rule of evidence safe for both parties, and consequently, in establishing one by treaty. No nation would readily admit a rule which would make it depend on the good faith of another, and the integrity of its agents, whether her seamen, in time of war, might be drawn from her service, and

transferred to that of a neutral power. Such a rule between Great Britain and us would be peculiarly dangerous, on account of circumstances, and would facilitate a transfer of seamen from one party to another. Great Britain has accordingly perseveringly declined any definite arrangement on the subject, notwithstanding earnest and reiterated efforts of our Government.

When we consider candidly the peculiar difficulties which various circumstances of similitude between the people of the two countries oppose to a satisfactory arrangement, and that to the belligerent party it is a question of national safety, to the neutral party a question of commercial convenience and individual security, we shall be the less disposed to think the want of such a provision as our wishes would dictate a blemish in the treaty.

The truth seems to be, that, from the nature of the thing, it is matter of necessity to leave it to occasional and temporary expedients—to the effects of special interpositions from time to time, to procure the correction of abuses; and if the abuse becomes intolerable, to the ultima ratio; the good faith of the parties, and the motives which they have to respect the rights of each other and to avoid causes of offence, and vigilance in noting and remonstrating against the irregularities which are committed, are probably the only peaceable sureties of which the case is susceptible.

Our Minister Plenipotentiary, Mr. Pinckney, it is well known, has long had this matter in charge, and has strenuously exerted himself to have it placed upon some acceptable footing; but his endeavors have been unsuccessful, further than to mitigate the evil by some additional checks, and by drawing the attention of the British Government to the observance of more caution. A more sensible effect of our representations has been lately experienced; and with attention and vigilance that effect may be continued, and perhaps increased. But there is reason to fear that it would constantly be found impracticable to establish an efficacious conventional guard.

I proceed now to the examination of the several articles in the treaty, in the order in which they stand.

The first contains merely a general declaration that there shall be peace and friendship between the contracting parties, the countries and people of each, without exceptions of persons or places.

One would have imagined that this article, at least, would have escaped a formal objection, however it might have been secretly viewed as the most sinful of all, by those who pant after war and enmity between the two countries. Nothing but the fact could have led to a surmise that it was possible for it to have been deemed exceptionable; and nothing can better display the rage for objection which actuates the adversaries of the treaty, than their having invented one against so innocent a provision.

But the committee appointed by a meeting at Charleston (S.C.) have sagaciously discovered, that this article permits "the unconditional return to our country of all persons who were proscribed during the late war."

With all but men determined to be dissatisfied, it would be a sufficient answer to such an objection to say that this article is a formula in almost every treaty on record, and that the consequence attributed to it was never before dreamt of, though other nations besides ourselves have had their proscriptions and their banishments.

But this is not all—our treaty of peace with Great Britain in 1783 has an equivalent stipulation in these words (art. 6): "There shall be a firm and perpetual peace between his Britannic Majesty and the United States, and between the subjects of the one, and the citizens of the other." In calling this an equivalent stipulation, I speak with reference to the objection which is made. The argument to support that objection would be to this effect: "Exiles and criminals are regarded as within the peace of a country; but the people of each are, by this article, placed within the peace of the other; therefore proscribed persons are restored to the peace of the United States, and so lose the character of exiles and criminals." Hence the argument will turn upon the word "peace"—the word "friendship" will have no influence upon the question. In other respects there is no difference in substance between the two articles. For the terms "people," "subjects," "citizens," as used in the two treaties, are synonymous. If, therefore, the last treaty stipulates that there shall be peace between the governments, countries, and people of the two nations, the first stipulates what is equivalent, that there shall be peace between the two governments, and the subjects and citizens of each. The additional words, "without exception of persons and places," can make no difference, being merely surplusage. If A says to B: "I will give you all the money in this purse," the gift is as complete as if he had said: "I give you all the money in this purse, without exception of a single dollar."

But the object of the stipulation, and the subject of the objection, have no relation to each other. National stipulations are to be considered in the sense of the laws of nations. Peace, in the sense of those laws, defines a state which is opposite to war. Peace, in the sense of the municipal laws, defines a state which is opposite to that of criminality. They are, consequently, different things; and a subject of Great Britain, by committing a crime, may put himself out of the peace of our Government, in the sense of our municipal laws, while there might be a perfect peace with him, in the sense of the laws of nations; and vice versa, there might be war with him, in the sense of the laws of nations, and peace in that of the municipal laws.

The punishment of a subject of Great Britain as a felon would certainly not constitute a state of war between the parties, nor interfere with the peace which is stipulated by this article; though it is declared that it shall be inviolable, and might as well be affirmed to prevent the punishment of future as of former criminals.

But who, in the contemplation of the laws of the respective states, are the proscribed persons? They must have been understood to have been subjects or citizens of the states which proscribed them—consequently cannot be presumed to be comprehended in an article which stipulates peace between the nations and their respective citizens.

This is not a stipulation of peace between a nation and its own citizens; nor can the idea of expatriation be admitted to go so far as to destroy the relation of citizen, as regards amenability for a crime. To this purpose, at least, the offender must remain a citizen.

There can hardly have been a time when a treaty was formed between two nations, when one or the other had not exiled criminals or fugitives from justice, which it would have been unwilling to reinstate. Yet this was never deemed an obstacle to the article, nor has an immunity from punishment ever been claimed under it, nor is there the least ground to assert that it might be claimed under it.

It follows that the objection which has been taken to this article is wholly without foundation. It is humiliating to the human understanding, or disreputable to the human heart, that similar objections should come from sensible men; it is disgustful to have to refute them. The regard I feel for some of those who have brought it forward makes it a painful task. How great is the triumph of passion over the judgment on this occasion.

CAMILLUS.

No. VII

1795.

The second article of the treaty stipulates that His Britannic Majesty will withdraw all his troops and garrisons from all posts and places within the boundaries lines assigned by the treaty of peace to the United States; and that this evacuation shall take place on or before the 1st day of June 1796; the United States, in the meantime, at their discretion, extending their settlements to any part within the said boundary lines, except within the precincts or jurisdictions of any of the said posts; that all settlers and traders within the precincts or jurisdictions of the said posts, shall continue to enjoy, unmolested, all their property of every kind, and shall be protected therein; that they shall be at liberty to remain there, or to remove with all or any part of their effects; also to sell their lands, houses, or effects, or to retain the property thereof at their discretion; that such of them as shall continue to reside within the said boundary lines shall not be compelled to become citizens of the United States, but shall be at liberty to do so, if they think proper, making and declaring their election within a year after the evacuation; and that those who should continue after the expiration of a year, without having declared their intention of remaining subjects of His Britannic Majesty, shall be considered as having elected to become citizens of the United States.

This article, which accomplishes a primary object of our envoy's mission, and one of primary importance to the United States, has been as much clamored against as if it had made a formal cession of the posts to Great Britain. On this point an uncommon degree of art has been exerted, and with no small success. The value of the principal thing obtained has been put out of sight by a misrepresentation of incidental circumstances.

But the fact is, nevertheless, that an object has been accomplished, of vast consequence to our country. The most important desiderata in our concerns with foreign powers are the possession of the western posts and a participation in the navigation of the river Mississippi. More or fewer of commercial privileges are of vastly inferior moment. The force of circumstances will do all we can reasonably wish in this respect; and, in a short time, without any steps that may convulse our trade or endanger our tranquillity, will carry us to our goal.

The recovery of the western posts will have many important consequences. It will extinguish a source of controversy with Great Britain, which at a period not distant, must have inevitably involved the two countries in a war, and the thing was becoming every day more and more urgent. It will enable us effectively to control the hostilities of the northern and western Indians, and in so doing will have a material influence on the southern tribes. It will therefore tend to rescue the country from what is at present its greatest scourge, Indian wars. When we consider that these wars have, 4 years past, taken an extra million annually from our revenue, we cannot be insensible of the importance of terminating that source of expense. This million, turned to the redemption of our debt, would contribute to complete its extinguishment in about 20 years. (This is a rough calculation, but it cannot materially err.) The benefits of tranquillity to our frontier, exempting its inhabitants from the complicated horrors of savage warfare, speak too loudly to our humanity, as well as to our policy, to need a commentary.

The advantages of the recovery of the posts do not stop here; an extension of trade

is to be added to the catalog. This, however, need only be mentioned at this time, as it will come again into view in considering the third article.

But two consequences, not commonly adverted to, require particular notice in this place.

There is just ground of suspicion, corroborated by various concurring circumstances, that Great Britain has entertained the project of contracting our boundaries to the Ohio. This has appeared in Canada—at the British garrisons—at the Indian towns—at Philadelphia—and at London. The surrender of the posts forever cuts up by the roots this pernicious project. The whole of our western interests are immediately and deeply concerned in the question.

The harmonious and permanent connection of our western with our Atlantic country, materially depends on our possession of the western posts. Already has great discontent been engendered in that country by their detention. That discontent was increasing and ranking daily. It was actually one of the aliments of the insurrection in the western parts of Pennsylvania. While the posts remained in the hands of Great Britain, dangerous tamperings with the inhabitants of that country were to be apprehended—a community of views between Great Britain and Spain might have taken place, and by force and sedition events formidable to our general union might have been hazarded. The disposition or prevention of that community of views is a point of the greatest moment in our system of national policy. It presses us to terminate differences and extinguish misunderstandings with Great Britain; it urges us to improve the favorable moment, and stamps with the charge of madness the efforts to let go the hold which the treaty, if mutually ratified, would give us.

Whoever will cast his eye upon the map of the United States, will survey the position of the western posts, their relations to our western waters, and their general bearings upon our western country, and is at the same time capable of making the reflections which an accurate view of the subject suggests, will discover multiplied confirmations of the position, that the possession of those posts by us has an intimate connection with the preservation of union between our western and Atlantic territories; and whoever can appreciate the immense mischiefs of a disunion will feel the prodigious value of the acquisition. To such a man the question may be confidently put: Is there any thing in the treaty conceded by us to Great Britain, to be placed in competition with this single acquisition? The answer could not fail to be in the negative.

But it is said by way of objection, that, admitting the posts will be surrendered at the time stipulated, it is no acquisition by this treaty; it is only the enjoyment of a right which was secured by the treaty of peace.

With as much good sense might it be said, that the stipulation of reparation for the spoliation of our property, or even immediate actual reparation, if it had been obtained, was nothing gained, because the laws of nations gave us a right to such reparation; and it might in this way be proved to have been impossible for our envoy to have effected anything useful or meritorious.

Let us see what is the real state of the case. Great Britain had engaged, by the treaty of peace, to surrender the western posts with all convenient speed, but without fixing a precise time. For the cause or on the pretext of our not having complied with the treaty on our part, especially in not removing the impediments which the antecedent laws of particular States opposed to the recovery of British debts, she delayed, and afterward refused, to make the surrender; and when our envoy left this country, there was too much appearance of an intention on her part to detain them indefinitely, and this after having actually kept them 10 years. The treaty of peace was consequently in this particular suspended, if not superseded. It was either to be reinstated by a new agreement, or enforced by arms. The first our envoy has effected; he has brought Great Britain to abandon the dispute, and to fix a precise, determinate time when, at furthest, the posts are to be delivered up. It is therefore to this new agreement that we shall owe the enjoyment of them, and it is, of course, entitled to the merit of having obtained them; it is a positive ingredient in its value, which cannot be taken from it; and it may be added, that this is the first time that the merit of procuring, by negotiation, restitution of a right withheld was ever denied to the instrument which procured it.

But the picture given of the situation of Great Britain, to warrant the inferences which are drawn, is exaggerated and false. It cannot be denied that she is triumphant on the ocean; that the acquisitions which she has made upon France are hitherto greater than those which France has made upon her. If, on the one hand, she owes an immense debt, on the other she possesses an immense credit, which there is no symptom of being impaired. British credit has become, in a British mind, an article of faith, and is no longer an article of reason. How long it may last, how far it may go, is incalculable. But it is evident that it still affords prodigious resources, and that it is likely, for some time to come, to continue to afford them. In addition to this, it is a well-ascertained fact, that her government possesses internally as much vigor, and has as much national support, as it perhaps ever had at any former period of her history. Alarmed by the unfortunate excesses in France, most men of property cling to the government, and carry with them the great bulk of the nation, almost the whole of the farming interest, and much the greatest proportion of other industrious classes. Her manufactures, though probably wounded by the war, are still in a comparatively flourishing condition. They suffice not only for her own supply, but for the full extent of foreign demand, and the markets for them have not been materially contracted by the war. Her foreign commerce continues to be immense; as a specimen of it, it may be mentioned, that the ships from India this year announced to have been seen upon or near the British coast amounted to 35 in number, computed to be worth between 4 and 5 millions sterling. It is no light circumstance in the estimate of her resources, that a vast preponderancy in that quarter of the globe continues to nourish her wealth and power.

If from a view of Great Britain, singly, we pass to a view of her in her foreign connections, we shall find no cause to consider her a prostrate nation. Among her allies are the two greatest powers of Europe (France excepted)—namely, Russia and Austria, or the emperor; Spain and Sardinia continue to make a common cause with her. There is no power of Europe which has displayed a more uniform character of perseverance than Austria; for which she has very strong motives on the present occasion. Russia, too, is remarkable for her steadiness to her purpose, whatever it may be. It is true, that heretofore she has not discovered much zeal in the coalition, but there are symptoms of her becoming more closely and cordially engaged. If she does, she is a great weight in the scale.

Against this will be set the astonishing victories, heroic exploits, and vast armies of France, her rapid conquests to the Rhine, the total reduction of Holland, the progress of her arms in Spain and Italy, the detaching of the King of Prussia from the coalition, and the prospect of detaching some others of the German princes; and it will be added, that the continental enemies of France appear exhausted, despairing, and unable to continue the war.

This, if offered only to show that there is no probability that the enemies of France can succeed in the original object of the war against her, or can divest her of her acquisitions on the Continent, has all the force that may be desired to be given to it; but when it is used to prove that the situation of Great Britain is so desperate and humbled as to oblige her to receive from France, or the United States, any conditions which either of them may think fit to impose, the argument is carried infinitely too far. It is one thing for a country to be in a posture not to receive the law from others, and a very different thing for her to be in a situation which obliges others to receive the law from her, and, what is still stronger, from all her friends. France evidently cannot annoy Russia; she cannot, without great difficulty, from their geographical position, make any further acquisitions upon the territories of Austria. Britain and her possessions are essentially safe while she maintains a decided maritime superiority. As long as this is the case, even supposing her abandoned by all her allies, she never can be in the situation which is pretended by the opposers of the treaty.

But in describing the situation of France, only one side of the medal is presented. There is another side far less flattering, and which, in order to come to a just conclusion, must be impartially viewed.

If the allies of Great Britain are fatigued and exhausted, France cannot be in a better condition. The efforts of the latter, in proportion to intrinsic resources, have, no doubt, been much greater than those of the former. It is a consequence from this, physically certain, that France must be still more fatigued and exhausted even than her adversaries. Her acquisitions cannot materially vary this conclusion: the Low Countries, long the theater of the war, must have been pretty well emptied before they fell into her hands. Holland is an artificial power; her life and strength were in her credit; this perished with her reduction. Accordingly the succors extracted from her, compared with the scale of the war, have been insignificant.

But it is conjectured, that as much has not been done as might have been done; that restitution of the posts has not been procured, but only a promise to restore them at a remote period, in exchange for a former promise which had been violated; that there is no good ground of reliance upon the fulfilment of this new promise, for the performance of which there ought to have been some surety or guaranty; that the restitution of the posts ought to have been accompanied with indemnification for the detention, and for the expenses of the Indian wars which have been occasioned by that detention and by the instigation of British intrigue; that it was better to go to war than to relinquish our claim to such indemnification, or if our present circumstances did not recommend this, it was better to wait till it was more convenient to us to enforce our claims than to give them up. These are the declamations by which this part of the treaty is arraigned. Let us see if they are the random effusions of enthusiasm, or the rational dictates of sound policy.

As to the suggestion that more might have been done than was done, it must of necessity be mere conjecture and imagination. If the picture given of the situation of Great Britain was better justified by facts than it is, it would not follow that the suggestions is true; for the thing would depend not on the real situation of the country, but on the opinion entertained of it by its own administration—on the personal character of

the prince and of his council—on the degree in which they were influenced by pride and passion, or by reason. The hypothesis, that the dispositions of a government are conformable with its situation, is as fallacious a one as can be entertained. It is to suppose, contrary to every day's experience, that Cabinets are always wise. It is, on the part of those who draw the inference, to suppose, that a Cabinet, the most violent, rash, and foolish of Europe, is at the same time moderate and prudent enough to act according to the true situation of the country. Who of our enthusiasts, reasoning from his view of the abased condition of Great Britain, has not long since imagined that she ought to be on her knees to France suing for mercy and forgiveness? Yet how different hitherto is the fact. If we carefully peruse the speeches of the leading members of the convention, we shall observe the menaces against Britain frequently interspersed with invitations to peace; while the British Government maintains a proud and distant reserve, repels every idea of peace, and inflexibly pursues the path of war. If the situation of Europe in general, and of Great Britain in particular, as is pretended, authorized us to expect whatever we chose, how happens it that France, with all her victories, has not yet been able to extort peace?

As to the true position of France, we are not left to mere inference. All the official reports, all the private accounts from thence acknowledge a state of extreme embarrassment and distress—an alarming derangement of the finances, and a scarcity not distant from famine. To this are to be added a continuance of violent and destructive conflicts of parties, and the unextinguishable embers of insurrection.

This fair comparison of the relative situation of the contending parties will, I know, be stigmatized as blazoning the strength and resources of Great Britain, and depreciating the advantages of France. But the cant phrases of party cannot alter the nature of truth; nor will they prevent the people of the United States from listening impartially to it, or from discerning that it is a mark of fidelity to their interests to counteract misrepresentation by placing facts fairly before them, and a duty which they owe to themselves, and which they cannot omit to perform without betraying their own interests, to receive them candidly, and weigh them maturely.

The conclusion is, that all those highly charged declamations which describe Great Britain to us as vanquished and humbled, as ready to pass under the yoke at command, and to submit to any conditions which we may think fit to prescribe, are either the chimeras of overheated imaginations, or the fabrications of impostors; and if listened to, can have no other effect than to inspire a delusive presumption and a dangerous temerity.

But to judge the better of the extravagance of these declamations, it will be useful to go back to the periods when the negotiation began and ended. Our envoy arrived in England, and entered upon the business of his mission, at the moment when there was a general elation on account of the naval victory gained by Lord Howe, and previous to those important successes which have terminated in the conquest of Holland; and the treaty was concluded by the 19th of November last, prior to the last-mentioned event, and the defection of the King of Prussia. The posture of things at the time it was in negotiation, and not at this time, is the standard by which to try its merits; and it may be observed, that it is probable the negotiation received its first impression, and even its general outline, anterior to the principal part of the disasters sustained by the coalesced powers in the course of the last campaign.

It may not be improper to add, that if we credit the representations of our envoy, Great Britain manifested similar dispositions with regard to the treaty at the commencement as at the close of the negotiation; whence it will follow that too much has been attributed in this country to the victories of France.

The subject of the second article will be resumed and concluded in the next number.

CAMILLUS.

Accomplishments of the Senate Committee on Commerce

EXTENSION OF REMARKS
OF
HON. WARREN G. MAGNUSON
OF WASHINGTON
IN THE SENATE OF THE UNITED STATES
Wednesday, September 27, 1961

Mr. MAGNUSON. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD accomplishments of the Senate Committee on Commerce.

I am pleased to report to the Senate that of the 236 bills and resolutions referred to your Committee on Commerce, 72 were reported to, and 68 passed by the Senate. Of these, 44 were signed into law by the President, 22 are still pending in the House, and 2 were Senate resolutions.

Your committee received, reported favorably, and the Senate confirmed 1,081 routine nominations in the Coast Guard and the Coast and Geodetic Survey.

Of the 44 major nominations submitted to us, 6 were withdrawn by the President, 32 were reported to and confirmed by the Senate, and the remaining 6 were received too late in the session to be acted upon.

Your committee held 64 days of public hearings, and our subcommittees held 77, a total of 141.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

BILLS AND RESOLUTIONS

Number referred to the committee	236
Number reported by the committee	72
Number passed by Senate	68
Number pending in House	22
Number pending on Senate Calendar	4
Number of Senate resolutions approved	2
Number signed by President	44

NOMINATIONS

Number of routine nominations in the Coast Guard and Coast and Geodetic Survey received, approved, and confirmed	1,081
Number of major nominations received	44
Number withdrawn by President	6
Number approved and confirmed	32
Number received too late to be acted upon	6

DAYS OF PUBLIC HEARINGS

By committee	64
By subcommittees	77
Total	141
Number of executive sessions	21

We have been busy during this 1st session of the 87th Congress. Here are a few of the highlights:

THE MERCHANT MARINE

Among the more important measures given approval by the committee and the Congress in this field after public hearing, were the following:

H.R. 6775 (Public Law 87-346) to amend the Shipping Act, 1916, to provide for the operation of conferences;

H.R. 6100 (Public Law 87-45) to amend title VI of the Merchant Marine Act, 1936, to authorize the payment of operating-differential subsidy for cruises;

S. 576 (Public Law 87-93) to clarify the status of the faculty and administrative staff of the U.S. Merchant Marine Academy;

S. 1368 (Public Law 87-254) to provide for licensing independent ocean freight forwarders;

H.R. 6309 (Public Law 87-243) to increase certain interim payments of estimated accrued operating-differential subsidy;

H.R. 6974 (Public Law 87-383) to authorize the expenditure from capital reserve funds of amounts for research, etc.; and

H.R. 2457 (Public Law 87-222) to clarify the construction subsidy provisions, with regard to reconversion, etc.

A public hearing was held on Presidential Reorganization Plan No. 7, to reorganize the Federal Maritime Board, which became effective when neither House disapproved.

Pending for action in the committee in the 2d session, 87th Congress, are a few maritime bills of particular importance, including:

S. 882, to provide emergency authority for priorities in transportation by merchant vessels.

S. 885, to provide a fiexible rate of interest for Government financing of vessels;

S. 1183, to reimburse certain vessel owners for expenses caused by allocation of vessel construction contracts to shipyards on another coast; and

S. 1886, to repeal and amend certain statutes fixing or prohibiting collection of fees for services under the navigation and vessel inspection laws.

FISHERIES AND WILDLIFE

Your committee had before it legislation to promote effectual planning, development, maintenance and coordination of these great natural resources.

Segments of our commercial fisheries continue to have problems and we had before us legislation to provide a program to enable this industry to regain a favorable economic status. Fish passage facilities over river dams, new fish hatcheries, shellfish laboratories, and fisheries research legislation have been under consideration.

An alien fishing fleet is operating in waters adjacent to Alaska. We need legislation to improve and modernize our fleet to meet this competition. Such legislation is before the committee to assist industry to meet this threat.

Sports fishing and hunting continue to grow in popularity and it is apparent that it will grow during the foreseeable future. Fifty million of the 130 million people in this Nation over 12 years of age went fishing or hunting in 1960. Millions of American families take advantage of these outdoor recreational sports. They spend millions of dollars, hundreds of millions of days and travel billions of miles to enjoy sport fishing and hunting. These sportsmen spent almost $4 billion for goods and services in 1960. Legislation for the betterment of hunting and fishing is a subject of major importance to our committee, as every year people have more time for recreation and pastime activities.

The wetlands bill, to expedite the purchase of lands for the use of waterfowl, and legislation to implement the International Convention To Prevent the Pollution of the Sea by Oil were also enacted and signed into law.

COMMUNICATIONS

Extensive hearings have been held on a number of bills and issues involving various phases of the communications industry ranging from the report of the operation of section 315 of the Communications Act of 1934 as it pertained to the presidential and vice presidential campaign of 1960, to the bill, S. 2034, which involved the reorganization of the Federal Communications Commission.

FCC REORGANIZATION

Hearings were held on Reorganization Plan No. 2 as it related to the Federal Communications Commission. This reorganization plan was rejected by the House of Representatives and following our hearings, at the request of Senator John O. Pastore, chairman of our Subcommittee on Communications, the Commission submitted a legislative proposal that would accomplish the desirable objectives of the plan. This became S. 2034. Further hearings were held, the bill was reported and passed by the Senate July 27, 1961, and the House on August 3, 1961. The differences between the two bills were resolved in conference and, on August 31, 1961, S. 2034 became Public Law 87-192.

This is the first major revision of the Communications Act in 10 years and brings into effect certain administrative procedures which we hope will serve as a guide for other administrative agencies.

POLITICAL BROADCASTING

Extensive hearings were held to receive the reports of the Federal Communications Commission, and the radio and television networks as to the manner in which S. J. Res. 207, 86th Congress, which suspended section 315 as it applied to the presidential and vice presidential candidates during the 1960 campaign, actually functioned. All the reports, particularly the extensive analysis prepared by the Federal Communications Commission, indicated the huge success of the suspension during the 1960 campaign.

SPACE COMMUNICATIONS AND FREQUENCY ALLOCATIONS

Hearings were commenced on the subject of space communications, and the important question of the manner in which the radio spectrum is allocated between government and nongovernment groups, so essential to an orderly development of a sound telecommunications system. S. J. Res. 32, which called for the creation of a special five-man group to study and report on the manner in which the radio spectrum is allocated with a view to determining how much frequencies may be utilized to the maximum degree possible was part of these hearings.

In view of the fact that the Commission had not made a final determination as to what system shall be used, who shall operate the system, etc., further hearings have been deferred until such determination is made. In addition, the chairman of our Subcommittee on Communications has been notified that the question of Government and non-Government use of frequencies and the manner in which they are allocated for such purposes, is presently being studied by the administration and that a policy is expected to be announced in the near future. Further hearings are being deferred until such determination is made.

BOOSTERS AND COMMUNITY ANTENNA

During the 86th Congress, your committee was responsible for the enactment of the so-called booster legislation which authorized the Federal Communications Commission to adopt regulations to regulate VHF boosters. The Commission has since done so, and hearings were held in Wyoming and Utah to ascertain the practicality and workability of the FCC's new procedures. As a result of these hearings certain cumbersome procedures were brought to the attention of the Commission and in most instances, were improved. Others are still being worked on.

EDUCATIONAL TV

For the third straight Congress your committee has reported out the chairman's educational television bill which would expedite the utilization of television facilities in our public schools and colleges and in our adult training program.

After extensive discussion on the floor of the Senate, the bill passed 67 to 13 and in August was reported favorably by the House Interstate and Foreign Commerce Committee. This is an important piece of legislation that is designed to assist in putting on the air the more than 200 television channels that have been reserved for educational purposes. The bill is now before the House.

NETWORKS

The committee has held extensive hearings with regard to network practices in the past and, as a result of special funds appropriated to the FCC for a network study, the Commission has recommended specific legislation that would lead to the regulation of the networks.

This bill, S. 2400, was introduced by Senator PASTORE and will require extensive hearings.

CLEAR CHANNELS

S. 2290, to amend the Communications Act, as amended, is the so-called clear channel bill. Hearings will be held on this legislation in the next session. On September 14, the FCC issued its final decision in the so-called clear channel case in which it opened up 13 of the 25 clear channels heretofore used by one station at night so that now it will be a shared operation by an additional unlimited time station on the basis of one new station on each of the 13 channels. It reserved for future consideration possible changes with respect to the 12 clear channels. S. 2290 would maintain the status quo.

FREEDOM OF COMMUNICATION

The investigation authorized under Senate Resolution 305 (86th Cong., 2d sess., June 14, 1960) was delegated to the Freedom of Communications Subcommittee, a subcommittee of the standing Communications Subcomittee.

Extensive public hearings, covering 50 representatives complaints which arose during the political campaigns of 1960, were held by the subcommittee; and witnesses from the Federal Communications Commission, radio and television licensees, interested organizations, and the public were heard.

The subcommittee report (S. Rept. 994, Sept. 13, 1961) has been presented in six parts as follows:

Part I, "The Speeches, Remarks, Press Conferences, and Statements of Senator John F. Kennedy, August 1 through November 9, 1960."

Part II, "The Speeches, Remarks, Press Conferences, and Study Papers of Vice President Richard M. Nixon, August 17 through November 7, 1960."

Part III, "The Joint Appearances of Senator John F. Kennedy and Vice President Richard M. Nixon and Other 1960 Campaign Presentations."

Part IV, "The 15-Minute Radio and Television Network Newscasts for the Period September 26 through November 7, 1960."

Part V, "Hearings Before the Freedom of Communications Subcommittee, March 27, 28, and 29, 1961."

Part VI, "Recommendations."

Parts I, II, and III constitute a unique record in American political history. For the first time, we have the complete press conferences, speeches, remarks, and statements of the two major candidates for the Presidency throughout the presidential campaign period. Here, then, is the presidential campaign of 1960.

Part I was submitted on September 13, 1961, and consent was granted by the Senate, authorizing the filing of parts II through VI with the Secretary of the Senate during the adjournment sine die of the 87th Congress, 1st session. The report was ordered printed with illustrations.

AVIATION

Of the many bills considered in this field, I believe the three most important that were approved by the Senate to be:

S. 1703, as originally introduced, would have extended the provisions of the Federal aid to airports program for a period of 5 years and increased the level of funds from $63 million to $75 million annually. The bill included a provision which would for the first time limit Federal participation to items directly related to air safety. The Senate considered the House bill, H.R. 8102, striking all after the enacting clause and substituting the language of S. 1703 and passed the amended House bill on September 1. A conference was called to resolve the differences between the bills. However, the conferees were unable to agree as to the method of funding, the Senate urging that the contract method of funding be employed and the House supporting the annual appropriation method. Because the differences could not be resolved, the conference was discharged. Subsequently, the House further amended H.R. 8102, as amended by the Senate, to provide for a 3-year $225 million program at the rate of $75 million annually and adopted the annual appropriation method of funding. Since it was apparent that the House would not recede in its position opposing contract authority and in view of the lateness of the session, the Senate on September 14 accepted the House bill to insure that the Federal aid to airports program would continue without interruption.

The Senate on August 28 passed S. 1969, a bill to provide for a class of supplemental air carriers. The bill made clear that a supplemental certificate was primarily one authorizing charter service but provided that the Board may, when the public convenience and necessity required, authorize individually ticketed service. The bill would provide for a statutory definition of charter service specifically authorizing all certificated carriers to engage in all-expenses-paid tours. The Federal Aviation Act would be amended so as to authorize the Board to impose civil penalties for violations of its economic regulations.

A bill, H.R. 7318, incorporating many features of the Senate bill was reported favorably by the House Committee on Interstate and Foreign Commerce, and passed the House on September 18. Because of the many differences in the two bills, the required conference will not be called until 1962.

S. 2268, to make certain acts if committed aboard aircraft in air commerce Federal crimes, passed the Senate on August 10. Included would be such acts as assault, maiming, murder, manslaughter, malicious mischief, robbery; the act of hijacking was made the equivalent of piracy and subject in the discretion of the jury to the death penalty. The bill was approved by the President on September 5, 1961.

Our subcommittee conducted extensive hearings on the subject of air safety over a a period of 3 weeks. Examination of the following areas was emphasized:

1. The status of air transportation in 1961—commercial, business and private—in relation to air safety problems of today and tomorrow;

2. The responsibility of various Government agencies for the promotion and advancement of air safety and the practices and procedures used to discharge same;

3. The responsibility of the aviation community itself for self-imposed vigilance and discipline in achieving a maximum degree of

air safety and the manner and method of fulfilling it;

4. The areas of safety hazard disclosed by the 1960 accident record, considered in the light of the accident record of prior years—which include, among other things, aircraft design, terminal area facilities, weather, and air traffic control; and

5. The present planning being conducted by both Government and the aviation industry, including research and development projects, for overcoming any existing weaknesses in our system of air safety or anticipated hazards of the near future. The essential objective of the hearings was to provide a means for the free exchange of ideas to the end that all segments of the aviation community, including government agencies, could acquire a sympathetic understanding of the problems confronting one another and proceed to take such action as the record indicated, so as to promote the highest degree of safety in all aspects of air travel.

Aside from the three principal measures discussed above, S. 1931, a routine bill to extend the provisions of the Federal Aviation Act relating to war risk insurance until June 13, 1966, was passed by the Congress and signed by the President July 20, 1961.

The subcommittee held 1 day of hearings on CAB Reorganization Plan No. 3. The full committee did not take an official position on the plan but at the direction of the chairman, its vote of 9–8 in support of the plan was reported to the Government Operations Committee.

SURFACE TRANSPORTATION

Our Subcommittee on Surface Transportation reports its activities during this session as follows:

S. 320 (S. Rept. 528), to amend provisions contained in part II of the Interstate Commerce Act concerning registration of State certificates whereby a common carrier by motor vehicle may engage in interstate and foreign commerce within a State.

Passed Senate with floor amendments—July 17.

Reported out by House committee—August 31 (H. Rept. 1090).

H.R. 1163 (S. Rept. 126), extending the loan guaranty provisions of part V of the Interstate Commerce Act. (S. 1146.)

Public Law 87–16.

H.R. 8033 (S. Rept. 839), to amend section 17 of the Interstate Commerce Act so as to authorize the delegation of certain duties to employee boards. (S. 1667.)

Public Law 87–247.

S. 1725 (S. Rept. 443), to permit the establishment of through service and joint rates for carriers serving Alaska or Hawaii and the other States and to establish a joint board to review such rates.

Passed Senate June 27.

Pending in House Interstate and Foreign Commerce Committee.

S. 2491 (S. Rept. 838), to permit the application of the bulk commodity exemption when other commodities are concurrently transported in the same vessel.

Pending on Senate Calendar.

Senate Joint Resolution 21, to authorize the Secretary of Commerce to sell 10 Liberty-type merchant vessels to citizens of the United States for conversion into barges.

Passed Senate September 1.

Pending in House Merchant Marine and Fisheries Committee.

In addition, the Surface Transportation Subcommittee held the following miscellaneous hearings:

Government competition with regulated carriers.

Domestic offshore trade with Alaska, Hawaii, Puerto Rico, and Guam.

Decline of the common-carrier industry.

Rail transportation of new automobiles.

Need for temporary technical amendment to the water carrier section of the Interstate Commerce Act.

The subcommittee advised your Committee that the following bills were likely to receive consideration during the second session of this Congress:

S. 1283 (companion bill H.R. 5596 has been reported by House Committee on Interstate and Foreign Commerce), to amend sections 204(a) and 406(a) of the Interstate Commerce Act in order to provide civil liability for violations of such Act by common carriers by motor vehicle and freight forwarders.

S. 1197, to amend section 15a(3) of the Interstate Commerce Act with respect to the rule of ratemaking where competition between carriers of different modes of transportation is involved. This bill was put over to the second session by a vote of the full committee.

S. 1145, to amend section 22 of the Interstate Commerce Act.

S. 1284, to repeal section 303(b) of the Interstate Commerce Act, as amended, relating to the water-carrier bulk commodity exemption, and for other purposes.

S. 2560, to amend the Interstate Commerce Act, as amended, so as to strengthen and improve the national transportation system, and for other purposes.

S. Res. 150, urging the Interstate Commerce Commission to act with extreme caution and full deliberation on applications for approval of railroad mergers in order to afford Congress time to review the problems arising from the railroad merger movement.

MISCELLANEOUS LEGISLATION

Your committee handled many other very important pieces of legislation that do not fall into the fields of jurisdiction of our standing subcommittees, and I desire to comment on a few of them.

FOREIGN COMMERCE

S. 610, a bill to strengthen the domestic and foreign commerce of the United States by providing for the establishment of travel service in the Department of Commerce, and S. 1729, a bill to promote the foreign commerce of the United States, grew out of our study of such commerce during the 86th Congress. S. 610 was signed by the President on June 29, 1961, and S. 1729 is awaiting House action. This bill would implement and expand our export program.

OCEANOGRAPHY

Oceanographic research received much attention by your Committee on Commerce during the 1st session of the 87th Congress, just as it did during the 86th Congress.

S. 901, to advance the marine sciences and establish a comprehensive national 10-year program of research and surveys in the oceans and the Great Lakes, was introduced by the chairman on February 9, 1961; reported favorably, following hearings, by the committee on June 20, and passed the Senate on July 28 by a vote of 50 to 32.

The bill then was sent to the House of Representatives, where it was referred to the Committee on Merchant Marine and Fisheries. At the close of the recent session, the House committee had taken no action on this proposed legislation.

The bill would authorize—

1. Expanded oceanographic research or surveys by 6 Departments, 3 independent Agencies, and 15 Bureaus, offices and services in the executive branch of the Federal Government.

2. Coordination of the national oceanographic effort by a Division of Marine Sciences in the National Science Foundation, the Division to be established under the proposed act.

3. Participation by educational and scientific institutions, State agencies, associations, organizations, industries, and qualified individuals who would, in the opinion of contracting or granting authorities of the Federal Government, contribute to the scientific knowledge of the oceans and Great Lakes.

4. Construction of 43 oceanographic research ships and 18 ships for ocean surveys. Twenty-three of the research ships would be for use by institutions, including universities, 14 for fisheries research and 6 for military oceanography.

5. Construction of shore facilities for institutions engaged in oceanographic research and for Federal agencies conducting coastal or deep ocean surveys under the program.

6. Development and acquisition of new and improved scientific devices, instruments, and tools for marine exploration and research.

7. Education and training of marine scientists, including biologists, geophysicists, chemists, geologists, meteorologists, bacteriologists, pharmacologists and taxonomists required to achieve the objectives of the 10-year program.

8. Formal and reciprocal cooperation with other nations in marine research and oceanographic surveys.

The scientific community, in general, supported the bill. Objectives of the proposed legislation were applauded by Departments to which the bill was sent for comments, but the Departments took the position that legislation was unnecessary.

The bill contained 21 sections. Section 1 constituted the title section, stating that "this act may be cited as the 'Marine Sciences and Research Act of 1961.'"

Title 2 set forth a declaration of policy which asserted, in part that:

"The Congress further declares that sound policy requires that the United States not be excelled in the fields of oceanographic research, basic, military, or applied, by any nation which may presently or in the future threaten our general welfare, maritime commerce, security, access to and utilization of ocean fisheries, or contamination of adjacent seas by dumping therein radioactive wastes or other harmful agencies."

The subsequent 18 sections set forth duties and authorized funds for the National Science Foundation, Coast and Geodetic Survey, Weather Bureau, and Maritime Administration of the Department of Commerce; Office of Education and Public Health Service of the Department of Health, Education, and Welfare; Atomic Energy Commission; Bureau of Commercial Fisheries, Geological Survey and Bureau of Mines, Department of the Interior; Corps of Engineers, Department of the Army; United States Coast Guard, Department of the Treasury; Office of Naval Research, Bureau of Ships and Hydrographic Office, Department of the Navy, and the Smithsonian Institution.

A number of general provisions were included in the concluding section. Among these:

1. Secretaries of Departments, and administrators of bureaus or offices participating in the national oceanographic program would be authorized and directed to include in their annual reports a report on major activities or programs undertaken pursuant to the act.

2. The Bureau of the Budget would be required to provide the Congress, in connection with the annual presentation of the budget, a horizontal budget showing the totality of the program for marine sciences, funding assigned to each agency, and estimated goals and financial requirements to complete the program.

3. Construction or modernization of any ships or subsurface craft would be required to be done in domestic commercial facilities.

4. Information, uses, products, processes, and patents developed as a result of contracts or grants made under provisions of the Act would, with such exceptions as may be determined to be necessary in the interest of national defense, be fully and freely available to the general public.

During hearings in the 86th Congress on proposed legislation to authorize a national oceanographic program it was developed that

the U.S. Coast Guard was precluded under its organic act from conducting oceanographic research except in connection with the ice patrol.

On October 25, 1960, the chairman addressed a letter to Adm. Alfred C. Richmond, Commandant of the Coast Guard, inquiring as to the capabilities of the Coast Guard fleet for ocean research in addition to existing duties and responsibilities provided statutory restrictions were removed.

A comprehensive report was prepared by the Coast Guard and submitted to the committee on November 14, 1960. This report showed that the Coast Guard has 347 vessels in operation, of which approximately 100 are large, sturdy, oceangoing vessels which, with proper instrumentation, could be used for marine research without interfering with the traditional agency activities. Limited oceanographic research also could be conducted from a considerable number of other ships of the Coast Guard Fleet, including lightships, and from offshore towers which are being constructed to replace lightships.

The Committee on Oceanography of the National Academy of Sciences also was contacted by your committee and they warmly endorsed legislation to enable the Coast Guard to engage in oceanographic research, and to collect and analyze oceanographic data. The Committee on Oceanography recommendation also was sent to the Committee on Merchant Marine and Fisheries of the House of Representatives.

On March 2, 1961, I introduced S. 1189, following closely the recommendations of the Committee on Oceanography, and stated on the floor of the Senate: "The U.S. Coast Guard has the greatest potential of any agency of our Federal Government for obtaining certain types of valuable oceanographic data in the quickest possible time and at the lowest cost."

Hearings on the bill were held on May 2, 1961, and the bill was reported favorably by the committee on June 6. Meanwhile the House had passed a similar bill which, however, did not contain provisions for the collection and analysis of oceanographic data. On June 12, the Senate passed the House bill, substituting the language of the Senate bill as an amendment. The House disagreed to the Senate amendments and conferees were appointed.

House and Senate conferees met on September 14 and agreement was reached. Both House and Senate approved the conference report, and on October 5, 1961, the President signed the bill into law (Public Law 87-396).

I would be remiss if I did not express my heartfelt appreciation for the cooperation and untiring effort of all the members of the Committee on Commerce in carrying through to a successful conclusion our first session's program. I am deeply and sincerely appreciative. By their efforts they have made this a truly wonderful committee.

Our staff again has done a fine job, and I am confident I speak for the committee when I thank them for it.

WARREN G. MAGNUSON,
Chairman.

Goals of the New Frontier: Immigration Policy and Refugee Programs

EXTENSION OF REMARKS
OF
HON. LEONARD FARBSTEIN
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Wednesday, September 27, 1961

Mr. FARBSTEIN. Mr. Speaker, in our endeavors to strengthen the economic and military defenses of the free world we should recognize immigration policy as one of the elements in achieving economic and political stability as well as social equilibrium. Immigration policy is an essential part of our diplomacy.

Nine years have elapsed since our present immigration law—the McCarran-Walter Act of 1952—has seen a revision. Several related laws have been passed in the meantime, however, they have been mostly temporary in nature and designed to meet an emergency need.

This session of Congress saw an important achievement in the first substantial revision and codification of the Immigration Act of 1952. The Alien Orphans Adoption Program, which previously was subejct to periodical temporary extensions, was made permanent. Under this program, since 1957, about 10,000 orphans have come into this country. The lives of thousands of helpless orphans and of many American couples who will make homes for these children will be brightened because of this legislation. Of tremendous importance is the provision which will expedite the entrance into this country of about 18,000 spouses, parents, and unmarried children of naturalized citizens and aliens who have already been admitted to the United States for permanent residence. Those close relatives whose visa petitions were approved by July 1, 1961, will now be issued nonquota immigration visas and will shortly be reunited with their families here in the United States. This will remove a terrible hardship and remedy many psychological, moral and economic problems caused by the separation of families for years. Also included in the omnibus revisions is the creation of a single, statutory form of judicial review of alien deportation and exclusion orders issued by the Justice Department. Other progressive revisions in our outdated immigration law eliminate the requirement that a visa applicant state his race and ethnic classification in his application. Korean war veterans are granted equal naturalization privileges as now accorded veterans of World War I and World War II. The 2,000 quota ceiling currently imposed on the Asian-Pacific triangle is removed so that newly independent nations will be eligible for a minimum annual quota of 100, without causing a reduction of quota numbers from other Asian and Pacific areas. Newly independent countries are assured a quota equal to the total quota currently set for each of the parts which comprised the new nation. Laws against "sham" marriages which are entered into for the purpose of evading immigration laws are tightened. Another revision which will preserve family unity permits the spouse and children of a retired naturalized U.S. citizen, over 60 years of age, to remain with their spouse or parent without losing their naturalized citizenship.

Closely related to immigration policy is our refugee program. In the face of world tensions and political oppression attention is focusing once again on the world refugee problem. President Kennedy has called for increased attention to the U.S. refugee resettlement programs and legislative action to strengthen our programs. Legislation that will centralize the authority to conduct and to appropriate funds to support U.S. refugee programs is in conference and in all likelihood will be enacted in the second session. Our refugee programs are of utmost importance in our present-day world. If a person risk flight from behind the Iron Curtain, but finds no haven in the free world, his escape from communism will end in complete disillusionment with democracy.

President Kennedy's pledge to revise the immigration law to make it more humanitarian and to reunite families has been carried out through enactment of Public Law 87-301. This is just the first step in an overall revision to be undertaken under the leadership of President Kennedy who while serving in Congress was one of the top authorities on immigration matters. Our immigration policy will be adjusted to the condition of the world of today and tomorrow and to our place and role in that world. Our hands need not be tied to national origin quotas based on legislation enacted over 35 years ago in circumstances which no longer exist. We are capable of admitting, absorbing, and assimilating more newcomers than is permitted under present legislation. The legislation enacted this session is proof that the Democratic administration is well on its way toward the thorough modernization of our immigration policy necessary if we are to accept our responsibility as leader in the world's struggle for peace and freedom. For, if we fail to modernize our immigration policy we will negate our own best interest in foreign affairs, as well as our own domestic, economic, and social well-being.

Report on the 1st Session, 87th Congress, by Hon. Peter W. Rodino, Jr., of New Jersey

EXTENSION OF REMARKS
OF
HON. PETER W. RODINO, JR.
OF NEW JERSEY
IN THE HOUSE OF REPRESENTATIVES
Wednesday, September 27, 1961

Mr. RODINO. Mr. Speaker, normally I submit the report of my stewardship to my friends and neighbors of the 10th Congressional District of New Jersey at the end of each Congress.

The productive efforts of the 1st session of the 87th Congress have been such, however, that I believe a separate report of this new completed session is due to my constituents. It is with considerable pleasure that I summarize the activities of this Congress, of which I am proud to be a Member.

In many respects, at the advent of this Congress and the new administration there was a similarity in our national posture to the first days of Franklin Roosevelt's administration. In March 1933, banks were failing, soup lines extending. In January 1961, unemployment was rising, farm prices falling. Credit was tight, balances of payments were unfavorable.

Intelligent action was needed, and quickly, to stimulate our national economy. Action came, and quickly, under the dynamic leadership of President Kennedy.

The President's first official act was to order the distribution of surplus food to the victims of the recession. Then, in partnership with our beloved, wise and tireless leader, Speaker SAM RAYBURN, the President urged legislative remedies for our domestic ills.

As a result of this new and necessary close cooperation between the President and Congress, some of the most vital and far reaching legislation in our history came forth.

MINIMUM WAGE

Broadening the basic coverage for the first time in 23 years, the 1961 act goes far toward achieving the goal I have always sought: to assure that each of our citizens receives a decent living wage.

UNEMPLOYMENT COMPENSATION

My longstanding struggle to improve our unemployment compensation system was at least partially realized by passage of the Unemployment Compensation Act of 1961, which benefited approximately 700,000 jobless workers and their families immediately and will benefit an additional 2.5 million workers over the next year.

A companion act benefited approximately 60,000 railroad workers. And a third act made families of unemployed workers with dependent children temporarily eligible for Federal public assistance payments. This will benefit another 1 million of our Nation's needy.

HOUSING

The most comprehensive Housing Act in our history was signed into law by the President on June 30. This legislation will be of particular benefit to people of the middle and lower income groups, enabling many to purchase homes who had not previously been able to do so. Other sections of the law will assist renovating old homes, and help communities to build parks and recreational areas.

SOCIAL SECURITY

Although not as desirable as my own bill to assist our senior citizens, the Social Security Act of 1961 does much to assure a better life for those who have so richly earned it.

AREA REDEVELOPMENT

The act to improve the plight of economically hard pressed areas finally became law. Although I had helped to pass this legislation in 1958 and again in 1960, each time previously it had been vetoed by the former President.

SMALL BUSINESS

The 1961 act improved the ability of our small business firms to participate in our national industrial effort.

AGRICULTURE

The most comprehensive farm bill in many years was passed by the 87th Congress, and signed by the President. The effect of this act is already being felt, as the index of prices farmers receive from their crops has begun to rise slowly in the past 2 months. In addition to this general farm legislation, the Feed Grain Act, signed into law on March 22, promises to successfully reduce our surplus wheat and feed grain, the holding of which is most costly to all Americans.

In addition to these and other acts designed to stimulate our domestic economy and provide assistance to our individual citizens, there were other laws enacted which were most significant for our Nation.

CIVIL RIGHTS

My continuing and vigorous efforts on behalf of civil rights had already resulted in the Civil Rights Act of 1960—the first real positive accomplishment in the civil rights field in 80 years. This year, though not made a permanent part of our Government as I had struggled to make it, the Civil Rights Commission was extended for another 2 years.

VETERANS

The home loan program for World War II and Korean veterans was extended, and insurance dividends were provided for certain Korean veterans.

ALIEN ORPHANS

Although not as broad as the bill I have introduced in this and previous sessions, the act made permanent the provision for admission of alien orphans.

EDUCATION

The differences in view were so wide, and the complexities of the legislation so involved that a comprehensive program for Federal aid to education was not possible this year. I am hopeful that such a program will come forth during the next session, for a strong educational system is one of the basic requirements for our continued national preeminence. Fortunately, the Impacted Areas and National Defense Education Act were extended for another 2 years. Another bill I was most happy to see enacted was one I had sponsored. The law—276 of the 87th Congress—will encourage and assist our young and dedicated people who wish to become teachers of the deaf.

LAW ENFORCEMENT

The subcommittee of the Judiciary Committee of which I am the ranking member steered through the House three important bills to combat organized crime and racketeering. Signed into law by the President, the acts will prohibit travel or transportation in commerce in aid of racketeering enterprises. This includes transmission of bets and transportation of gambling equipment.

Another much needed piece of legislation was put through by my subcommittee: The bill to provide 73 additional Federal judges, which will help to relieve the crowded calendars throughout our Federal courts.

As important as all the above legislation is to all our citizens, the most important concern of everyone from one end of our Nation to the other is our position in the world and our national security. For upon that security depends our very existence as a nation of freemen.

With the stirring words of his inaugural address still ringing in the minds of all peoples throughout the world, the President has continually demonstrated to the Russians that we shall negotiate only from a position of strength.

Congress has assured that we shall continue to maintain that position of strength. The largest peacetime military budget in history—$47 billion—was approved. With this budget we shall be able to prepare for all types of conflict. And by such preparations, we hope that conflict will be avoided. Our Polaris submarine program has been expanded. Our strategic bombers are on a more intense alert. Our antiguerrilla forces are being strengthened. Minuteman and Skybolt missile programs are being expanded. More funds have been provided for our military research and development effort. Production of B–52 and B–58 bombers was accelerated and funds were authorized for the immediate development of the B–70 supersonic bomber. The President requested and Congress granted authority to call up military Reserve and National Guard units.

An area of our defense effort that affects every citizen is civil defense. Over the past years, this entire program was without life. The President has changed this, I am happy to say. I have personally emphasized the necessity for a meaningful civil defense program, and we are at long last seeing that program shape up.

An extension of our national defense is our foreign aid program. With enactment of the Foreign Assistance Act of 1961 we demonstrate to the world that we are willing to help those less fortunate than ourselves, particularly those nations whose people are ready to help themselves and preserve their freedom.

Perhaps the most significant act passed by this Congress and signed into law was establishment of the U.S. Disarmament Agency for world peace and security. This is the one single act of this session that may be remembered in the history books of future centuries. Passage of this act at the very time the Russians had resumed their nuclear tests has dramatized before the eyes of the world our sincere dedication to the cause of peace.

Such an act does not imply any weakness. Our military budget proves the contrary. But rearmament efforts and disarmament studies are not incompatible. We must continue to prepare for the worst. We must no less vigorously continue to seek what has up to now been impossible. As one of my constituents put it, "We must end the arms race before the arms race ends the human race."

As a sponsor of this legislation for the past 2 years, I was especially gratified by its enactment.

Of particular interest to my friends in the 10th District were the following measures:

MEADOWLANDS

As I have sought for many years, an appropriation of $50,000 was approved to make a study of the meadowlands redevelopment.

JET NOISES

A resolution adopted by the House as an outgrowth to my own resolution directs a study of the problems created by use of jet aircraft to be conducted by the House Committee on Interstate

and Foreign Commerce. I do not want the people living in the vicinity of Newark Airport and the plane patterns about the airport to suffer as those on Long Island have suffered.

WOODROW WILSON MEMORIAL

Public Law 364, signed recently is an outgrowth of a resolution I introduced in February, and is the first step to establishment of a permanent memorial to our distinguished and far-seeing President from New Jersey.

EAST-WEST TUNNEL

Although no legislative action was here necessary, the Office of Civil and Defense Mobilization at long last agreed to study the recommendation I have made and stressed for the past 2 years—use of the proposed First Mountain Tunnel for civil defense purposes.

In brief, these are some of the highlights of the work of the 87th Congress. There are other items I want to mention, both under the headings of finished and unfinished business. These I shall include in a revision of my remarks which I shall insert in the bound copy of the RECORD, and have printed and distributed—at my own expense—to the people I represent.

In Unions There Is Strength

EXTENSION OF REMARKS
OF
HON. KARL E. MUNDT
OF SOUTH DAKOTA

IN THE SENATE OF THE UNITED STATES

Wednesday, September 27, 1961

Mr. MUNDT. Mr. President, I ask unanimous consent to have printed in the Appendix of the CONGRESSIONAL RECORD a speech entitled "In Unions There Is Strength," which was carried in the September 15 issue of Vital Speeches. This thoughtful and thought-provoking speech was delivered to the Chicago Rotary Club No. 1 by Mr. Maurice R. Franks, the president of the National Labor-Management Foundation.

Maury Franks is a fearless advocate of democratic trade unionism. He was literally reared in the American trade union movement, and over three decades served in some highly responsible positions in organized labor. Maury Franks is unwaveringly devoted to the trade union philosophies of men like Samuel Gompers and Warren Stone, and it has been his mission in life for the past 20 years to encourage a rebirth of true democratic spirit and practice in American organized labor. This speech is exemplary of his courageous work.

There being no objection, the speech was ordered to be printed in the RECORD, as follows:

IN UNIONS THERE IS STRENGTH—TOO MUCH STRENGTH, IN FACT, WHICH MUST BE CURBED

(By Maurice R. Franks, president of the National Labor-Management Foundation, Chicago, Ill., and editor of Partners magazine, delivered before Chicago Rotary Club No. 1, Chicago, Ill., August 8, 1961)

I am grateful for this opportunity to come before my fellow Rotarians today to discuss a subject of vital national importance and, I believe, of deep and mutual concern.

I am especially grateful to our chairman for making clear in his introduction that I am a product of the labor movement. For, indeed, ladies and gentlemen, I am just that. I spent better than a quarter of a century in the union labor movement. And what's more, I believe as much today as I always have believed, in unionism as a highly valuable economic institution. I believe that unions, where needed and when properly operated, have much to offer our progressive economic society.

Furthermore, speaking frankly, as my name suggests that I do, I am convinced that if it hadn't been for the stupidity, the avariciousness, and the plain shortsightedness of the businessman himself, particularly the businessman of yesterday who didn't give a damn about his workers' welfare, who cared not in the least whether his workers ate or slept, who provided abominable working conditions all around—that if it hadn't been for him, there would have been no need for workers to band themselves together in order to obtain economic justice. But those are the facts of labor history—and those would be the facts of tomorrow's development if we had no unions today.

UNIONS, GOOD OR BAD

So there is no longer a question in my mind—or in yours either, for that matter, of unions to be or not to be. The question today is, What kind of unions are we going to have? Good unions or bad unions?

Now, I have acquired my personal philosophy of unionism from the true fathers of the American labor movement—from such men as Samuel Gompers, Daniel Willard and Warren Stone—from men who did not believe in and did not practice the kind of unionism we see about us today. These men taught me that labor and management are not natural-born enemies, that they are indeed fellow human beings, who are natural-born friends and allies—partners, if you please—partners in a common cause—partners in production—partners in producing the most of the best for the least, for mutual benefit. The unions should be with us to emphasize this relationship and to help realize its social and economic advantages. Good unions do so.

But it is impossible to have good unions with bad leaders. And today, ladies and gentlemen, we have some pretty bad leaders—some of the worst type our minds can imagine. We have among us a hierarchy of union leaders whose sense of social and economic responsibility is seriously lacking, and whose tremendous power and exercise of power accomplish far more evil than good. Such is the extent of the evil power they wield that, if allowed to go unchecked, it will not only wreck the labor movement which the world has grown to respect, but it will wreck our Nation to boot.

THE DANGEROUS POWER OF LABOR LEADERS

When you stop to consider the power of some of our greatest labor leaders today, the effect is frightening—as menacing as any hostile power abroad in the world. When a man like David McDonald, who heads the United Steelworkers Union, snaps his finger, down goes the steel industry and the vital production thereof—down goes the employment of almost every steelworker—down goes the American economy—down goes the very safety of the Nation itself.

When a man like Walter Reuther winks his eye, down goes an auto industry and the employment of millions of workers, directly and indirectly affected. When Jim Carey pulls the switch, down goes a vast segment of the electrical industry—to which our entire economy is tied and upon which much of our Nation's overall defense development is dependent. When Joseph Curran calls the shot, shipping on our east coast comes to a halt. And when Harry Bridges waves his flag, all west coast shipping stagnates.

Ladies and gentlemen, this sort of thing exceeds all reasonable authority. But, even so, it does not match the authority acquired by the gentleman whose name I've saved for you. I refer to James Riddle Hoffa.

That middle name of his certainly is appropriate. For, as a labor leader, this Hoffa is indeed a riddle to all of us who believe in good unionism. If that man ever cracks his whip, down will go everything.

In unions there is strength—and should be. But it is men like Hoffa, and the other union leaders I have mentioned, whose conduct supports the second part of my thesis—too much strength—excess strength that must be curbed, if we as a nation are to survive and not be made ready for the burial job Nikita Khrushchev promised us. For unless the powers of such labor leaders are curbed, our free society will one day be struck dead and belong only to a bygone era.

S. 2134

Now, fellow Rotarians, this brings me to the precise reason for my coming here to talk to you today—to explain to you how this alarming excess of power wielded by the big bosses of the labor movement can be checked—and without sacrificing any of the principles of good unionism.

It was my privilege early this year to work closely with Senator KARL E. MUNDT of South Dakota in the drafting of proposed legislation which, if enacted, would markedly cut down the personal powers of the individual union autocrat and refer vital economic decisions to the ones who alone have a right to make them—the members of a negotiating union themselves. This legislation, drawn up in the form of Senate bill 2134, would render it impossible for any strike to be called at the snap of any union leader's fingers, or at the crack of any union leader's whip.

This bill—and let me repeat its listing, so that the number will sink into your minds—S. 2134—was introduced in the Senate by Senator MUNDT on June 22 with the cosponsorship of Democratic Senators JOHN L. MCCLELLAN, of Arkansas, STROM THURMOND, of South Carolina, and JAMES O. EASTLAND, of Mississippi, and Republican Senators WALLACE F. BENNETT, of Utah, ANDREW F. SCHOEPPEL, of Kansas, and FRANCIS CASE, of South Dakota. And incidentally, it has the complete backing of Senator BARRY GOLDWATER. It is thus a bipartisan bill. And here is its preamble.

"S. 2134 is a bill to strengthen democratic processes within labor organizations respecting the calling of strikes, to protect union members against unjustifiable pay losses from strikes, to protect employers from needless production interruptions arising out of strikes contrary to the wishes of union members, to minimize industrial strife interfering with the flow of commerce, and to promote the growth of the Nation's economy through reducing economic waste by providing for an impartial secret strike vote."

Such is the purpose of this proposed legislation—this Senate bill 2134. It is to curb the autocratic power of a union's leadership to singlehandedly shut down an industrial operation, large or small. It is to make a union leader and his negotiating committee the servants of a union membership, as they are intended to be, and not their finger-snapping masters, as our American free society never intended they should be. It is to support the highest offices of collective bargaining, the institution our early labor movement made every human sacrifice to achieve for the worker, and to sweep from the scene the disreputable spectacle of collective bludgeoning—bargaining, not in good faith, but with the cudgel of a phony strike threat lying handy on the union side of the table.

Senate bill 2134 would make good-faith bargaining bilateral and of obligation to both sides. It would enable the union to shape its final demands, and the employer to make his final offer, before any strike vote could be taken. And only when such a deadlock, if one occurs, has been reached, will the situation be referred to the employees to be affected for their decision by protected secret ballot.

To clarify these proposals further, let me read to you Senator MUNDT's own presentation, in the course of the speech he delivered on the floor of the Senate on June 22, the day he introduced S. 2134:

"Briefly (and I quote) our bill would operate in the following manner. Under existing law, the duty to bargain collectively requires that any party desiring to modify or terminate an existing contract must serve written notice on the other party to the contract of the proposed modification or termination 60 days prior to the expiration date of the existing agreement. Our bill provides that no strike ballot shall be taken during this 60-day period, but, that if a labor organization desires to obtain authorization for a strike, a strike ballot shall be taken on the 60th day or as soon thereafter as is practicable. This procedure will allow approximately 60 days of honest collective bargaining negotiations in an atmosphere entirely free of strike threats, since there will be no authorization on which to base the threat. Also, it is fairly certain that by the 60th day, the issues between the parties will be pretty clearly drawn, which means the employee will be able to make his decision on the basis of well-defined contentions and specific counterproposals."

Further quoting Senator MUNDT's remarks, "Any strike ballot taken on or after the 60th day will be supervised by a three-member election committee. One member will be selected by the union, one member will be selected by the employer, and the third member will be selected by the union and employer members. If they cannot agree on such third member, he will be selected by the Director of the Federal Mediation and Conciliation Service. The bill requires the voting to be by secret ballot, and the committee is directed to count and process the ballots in such way that the identity of the voter will be unknown to the election committee and to all other persons.

"Where appropriate, the strike ballot will be stated in terms which will reflect a choice, by the employee, between a strike and an acceptance of the employer's final offer in settlement as stated by him."

Still quoting Senator MUNDT, "If in the balloting a majority of the affected employees vote in favor of a strike, then the union representative has full legal authority to call a strike. He is, however, under no legal obligation to call a strike immediately; and if he desires to negotiate further, the authorization granted by the balloting has a 60-day life.

"If a majority of the affected employees vote to accept the employer's final offer in settlement, the employer is then legally obliged by the requirements of 'good faith bargaining' to sign a contract incorporating the terms and conditions as stated by him in his final offer."

CONCLUSION

Now, fellow Rotarians, you will recall that I said in my opening remarks that I was extremely grateful for this opportunity to discuss this problem with you. Well, that was no casual statement. I meant what I said. And for a very good reason.

I believe that the Rotarians of this great city of Chicago—and, in fact, the Rotarians of the Nation as a whole—are in an ideal position to help promote the passage of the bill I have discussed from this platform. Most of Rotary's members are employers, well geared to lend responsible influence to their employees. If the Rotarians here today were to go forth from this meeting and as soon as possible explain the proposals contained in Senate bill 2134 to the people on their payrolls—as some businessmen throughout the Nation have already done and are doing—I believe that we would stand a very good chance of getting this bill enacted into law.

Many businessmen I have come in contact with—and, I may say, quite a few of them are fellow Rotarians—are victims of the little bug whose bite fills them with timidity. They will wholeheartedly approve a worthwhile project but only behind closed doors. In public they are hesitant to mention it, to give it the boost that it needs. Then there are others who will not take time out to study important issues such as S. 2134 and they are what may be termed "rather naive."

But the time has come, please believe me, when the businessman—whether he be a Rotarian or not—must shake off his chronic timidity—which, if I may say so, is used here mostly as a polite term for lethargy. The time has come when every businessman owes it to himself and to our free society to stand up and be counted, to stand up in front of his employees and tell them what, in his opinion, they can do in their own behalf.

Now your employees may not be able to stand up and be counted, if their particular position is such as to make them too conspicuous. But I'll tell you one thing you can help them do, in this instance. You can encourage them to sit down and be counted. You can encourage them to sit down and write their Congressmen and Senators, telling their representatives in the Nation's Capital that this is the kind of legislation they need and want. Because, unless a groundswell of popular opinion—and especially of worker opinion—is generated and made to reach all of our Federal lawmakers, the bill we have been discussing just doesn't have much of a chance of passage.

I thank you.

Congressional Reassessment of Federal Grants

EXTENSION OF REMARKS

OF

HON. FLORENCE P. DWYER

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 27, 1961

Mrs. DWYER. Mr. Speaker, among the most important recommendations it has made to the Congress in its barely 2 years of existence, the Advisory Commission on Intergovernmental Relations has proposed that Congress provide for mandatory review by its appropriate committees of all Federal grant-in-aid programs which may be enacted in the future at least once every 5 years.

The purpose of the recommendation is to provide a systematic means of insuring that outmoded grant programs are not unnecessarily perpetuated; that all such programs are regularly reviewed to determine whether they should be continued, expanded, repealed or redirected to serve a better purpose; and that, by so doing, the integrity and usefulness of the grant-in-aid device will be protected.

As a member of the Commission representing the House, and as a Member of Congress interested in encouraging greater efficiency in the operations of Government, I introduced legislation, in company with several of our colleagues from both sides of the aisle, to implement this Commission recommendation. I am pleased to report, Mr. Speaker, that hearings have been held by the Subcommittee on Intergovernmental Relations and prospects are excellent for favorable action early next year.

A major reason for the excellence of the bill's prospects, I believe, is the favorable attention the legislation has attracted in recent weeks from responsible individuals and organizations across the country. For example, one of the finest weekly newspapers in the East, the Westfield (N.J.) Leader, has published a series of two editorials on this subject this month. These editorials have made a valuable contribution to public awareness of this important but often neglected field. Because they point up in a particularly cogent way the issues which are involved, I include the two editorials from the September issues of the Westfield Leader as a part of my remarks.

Under leave to extend my remarks in the RECORD, the editorials follow:

FEDERAL AID TOTEM POLE

No matter how you figure it, New Jersey is low State on the Federal aid totem pole.

The Advisory Commission on Intergovernmental Relations, established by Congress, reports that where Federal grants-in-aid provided nearly one-quarter to one-third of all State and local revenues in five States in 1959, Federal grants amounted to less than 6½ percent of payments to governments in New Jersey that year. This was the lowest percentage of Federal contribution to receipts of any State. Median State was North Carolina, which received 17 percent of its revenues from the Federal Government. Wyoming and Alaska each received nearly one-third (32.3 percent) of their revenues from Uncle Sam.

This comes as no surprise to New Jersey. Computations made annually by the New Jersey Taxpayers Association have shown that the taxpayers in this State pay premium tax dollars for each dollar of "aid" received from the Federal Government. Last year the price in New Jersey stood at $2.14 for each dollar in Federal aid received—highest in the Nation.

The Federal Commission's report traces the history of Federal aid to State and local governments and its tremendous growth. Such grants totaled less than a quarter billion dollars in 1932. They have multiplied more than 30 times, to a 1962 total Federal grant estimate of $7½ billion.

Consideration was given in the report to means of terminating or modifying and redirecting grants which have outlasted the purpose for which they were intended. As a first step the study group advocated legislation subsequently introduced by several Members, including Congresswoman FLORENCE DWYER, of New Jersey. This would provide an automatic 5-year termination of authorization on future grants-in-aid programs and subject them to congressional review to determine continued need. Taxpayer groups across the Nation have repeatedly called for such a review of all Federal aid programs.

FEDERAL AID—HOW IT GROWS

What makes government costs—and your taxes—grow and grow?

A classic example is cited by the Advisory Commission on Intergovernmental Relations studying Federal grants-in-aid to State and local governments.

In a report recommending periodic congressional reassessment of Federal aid programs, the Commission commented: "Once a Federal grant begins, it hardly ever ends." Substantiating this observation is the tremendous growth in Federal grants to State and local governments to initiate or expand programs in various fields. These expenditures have grown 30 times in three decades until they now total $7,450,479,000, the Commission's report indicated.

Special committee and even presidential recommendations to cease, taper off or otherwise modify a dozen or more major grant programs in the light of changing needs have met with little success in the past.

Among obstacles the Commission found that once programs are established, officials administering them and other supporters acquire a "sense of mission." Usually they see need for expansion, rather than contraction. Recipient States and local government are reluctant to take over full expense of continuing programs established with Federal aid.

Even efforts to redirect outmoded programs to more urgent needs usually result in new programs and appropriations piled on top of old, rather than their replacement. As an example, the Commission cited vocational aid programs, where, as urgent needs for skills changed over the years, new programs were added but the old ones often were continued.

Costs of the Federal grants are particularly felt in this State where latest findings by the New Jersey Taxpayers Association show that a dollar received in Federal aid costs taxpayers of New Jersey an average of $2.14.

Portuguese-American Committee on Foreign Affairs

EXTENSION OF REMARKS
OF
HON. THOMAS P. O'NEILL, JR.
OF MASSACHUSETTS
IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 27, 1961

Mr. O'NEILL. Mr. Speaker, I wish at this time to insert a statement which I have received from the Portuguese-American Committee on Foreign Affairs and which I desire to call to the personal attention particularly of those colleagues of mine in the U.S. House of Representatives who are members of the House Committee on Foreign Affairs.

I am in full agreement with the statements contained in the following and it is my hope that the full congressional inquiry desired may be instituted:

PORTUGUESE-AMERICAN
COMMITTEE ON FOREIGN AFFAIRS,
Boston, Mass., September 21, 1961.

DEAR CONGRESSMAN: A pamphlet was sent you with pictures illustrating incredible atrocities inflicted on Portuguese men, women, and children when terrorists from Congo invaded Angola, Portuguese West African province, in March 1961.

The invasion was spuriously represented as a nationalist uprising by native Angolans. There is evidence the invasion was planned, financed, and directed by Communists and Communist sympathizers. No less an authority than Lord Home, British Foreign Secretary, so indicated.

Holden Roberto, terrorist leader, in an interview in the Paris newspaper Le Monde, issue of July 19, 1961, admitted the terrorists committed atrocities pictured in the pamphlet as part of cold, deliberate plan of operation.

In view of this terrible statement and other alarming circumstances, I respectfully request full congressional inquiry into this matter, particularly the reasons for the sudden change of U.S. policy toward Portugal, which now has our Government participating at the United Nations in Soviet-Afro-Asian campaign against Portugal with regard to Angola. Our United Nations delegation actually voted to censure the Portuguese for defending themselves against the tortures and butchery portrayed in pamphlet.

At the United Nations, our Government is supporting Soviet Russia and other enemies of West against Portugal, member of NATO and longtime friend of United States and West.

Portuguese-Americans, and many others, are bewildered over the change in position of our Government and think an explanation is due them and the public.

MARTIN CAMACHO,
Portuguese-American Committee on Foreign Affairs.

The 87th Congress

EXTENSION OF REMARKS
OF
HON. HARLEY O. STAGGERS
OF WEST VIRGINIA
IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 27, 1961

Mr. STAGGERS. Mr. Speaker, in a long drawn out and argumentative 1st session, the 87th Congress disposed of an impressive amount of business. The legislation enacted included 33 measures which are classed as major legislation, more of such legislation than has been enacted in the last half-dozen years combined. Much of it was highly controversial, requiring repeated adjustment and debate before it reached the final voting stage. Additional important proposals raised serious questions of constitutionality or of expediency, and after serious and protracted consideration were rejected for the time being. It was a hard session, and the final effects of its accomplishments are not immediately evident in domestic and foreign situations beset by unprecedented difficulties. The general public attitude seems to be a tendency to wait to see what happens. Criticism seems to be more or less perfunctory, and much of its sting is dulled both by rising industrial activity on the home scene and by preoccupation with increasing foreign danger. Clearly, the Congress did not move as far and as rapidly as some of the progressives had hoped. On the other hand it did not plunge headlong into action which might upset prevailing practice and tradition. The mood of the country is essentially conservative, disinclined to experiment with speculative social projects involving radical depararures from the past. The Congress went along with that mood. We must await developments before we can pronounce judgment.

The least controversial subject before Congress was military preparedness. A record peacetime military budget of more than $47 billion received scarcely a dissenting whisper, either from the Congress or from the Nation as a whole. The President got all he asked for, and more, to build up every arm of the service. Foreign economic aid got a more critical scrutiny. There is a growing disposition to demand that such aid should at least be not prejudicial to national interests. Generous special aid for Latin America was voted, with needed precautions that such aid should be used to improve living conditions in the areas where it is to be applied. Two innovations in our dealings with foreign powers were put into law: the Peace Corps; a permanent disarmament agency. Both represent idealistic approaches to the problem of promoting peace and well-being among all men. Only time can reveal their efficacy.

On the home front, a vast array of domestic problems received careful consideration. One of the first acts of the new Congress was to pass a bill designed to aid depressed and underdeveloped areas. Understandably, the Congress cannot legislate new industries into being. They must be organized, furnished with capital, manned with a working force possessed of the necessary skills, and provided with a market in which their output can be absorbed. Again, time is required to determine the practical results of the measure passed by Congress.

A new farm bill designed to reduce agricultural surpluses without further detriment to the whole farming industry was passed. A regrettable consequence is an increase in the price of grain to those farmers who must buy feed for livestock. The problem of import quotas, particularly of residual oil and textiles, under the Reciprocal Trade Act received considerable argument, but no immediate solution. Veterans gained various additional benefits, and the minimum wage was increased. Social security laws were further improved, with widened coverage. More money was made available for hospitals, airports, and a variety of public works. The water pollution program was expanded. Unemployment benefits were provided for a longer period, and aid was offered to the children of the unemployed. All these are of direct interest to West Virginians.

In response to a long-felt need, 73 new Federal judgeships were authorized, which should speed up the work of the Federal courts.

In the matter of taxes, the only proposal to receive favorable consideration was an increase in highway taxes to complete the interstate roads program. Proposals to permit more rapid writeoffs of industrial development investments were turned down; likewise, a proposal to raise postal charges to those who already pay the major costs of postal service.

One leak through which American money flows to foreign countries was blocked by a substantial cut in duty-free allowance for returning tourists.

This is a random sampling of the many domestic problems which were considered, either favorably or unfavorably, by the 87th Congress. The second session of this Congress looms before us in a few short weeks. The interval should provide

perspective from which to assess accomplishments of the first session and suggest further action.

Meanwhile, there are personal problems whose solution may be aided by a voice from Washington. Every citizen has a right to expect from his Congressman a sympathetic and active interest in these problems, whether their respective views on national and general issues coincide or do not coincide. It is the purpose here to say with all the sincerity at my command that I shall be happy and honored to hear from you, be it a matter of promoting industrial and business activity, of employment, of veterans' concerns, of social security regulations, or of any other of the many problems involving Federal Government participation. Further, your thinking on recent and pending legislation will be invaluable in helping me to appraise public opinion. May we all work constructively for the common good of this great country. In the long run, the common good resides in the sum of all the many individual lives made better and freer and richer by the interaction of social forces. In the Western World, thank Heaven, the individual is important.

The supreme challenge to all of us is to seek wisdom. Earthly wisdom is not enough. Only a divine wisdom is sufficiently farseeing to guide us through the universal turmoil of this perilous age. If we can lay aside our petty prejudices and self-seeking, and fix our faith firmly on the goodness and rightness of the God of all the earth, we may finally find a way through our difficulties to peace and happiness. May the meditations of our hearts and the work of our hands be found acceptable in Thy sight, O Lord, our strength and our salvation.

Analysis of Proxmire Votes on Federal Spending

EXTENSION OF REMARKS
OF
HON. WILLIAM PROXMIRE
OF WISCONSIN
IN THE SENATE OF THE UNITED STATES

Wednesday, September 27, 1961

Mr. PROXMIRE. Mr. President, all Members of the Senate are subject to criticism or approval on the basis of their position on spending and economy.

Often it is helpful to hear a public official express his attitude on economy in government. But there is no substitute for the actual record.

This year I am following my policy in the Senate of reporting to the people of Wisconsin my vote on every appropriation bill that came before the U.S. Senate in 1961.

My votes on Senate amendments and passage of appropriations bills amounted to a net reduction of over $2.1 billion in the administration's budget requests.

I voted to cut defense spending by $101 million—$525 million below the Senate figure.

I voted to cut foreign aid spending by $727.9 million.

I voted to cut domestic spending by $1.2 billion.

A summary of my votes on appropriations follows:

	President's budget request to the Senate	Proxmire vote	Remarks
DEFENSE			
Defense	$46,396,945,000	$46,323,292,000	The Senate Appropriations Committee recommended $46,848,292,000. I sponsored an amendment to cut $525,000,000 for B–52 and B–58 manned bombers which the President had not requested and which the Secretary of Defense repeatedly said we do not need.
Military construction	1,047,568,000	1,020,146,750	
FOREIGN AID			
Mutual security	4,993,991,000	4,266,091,000	In addition to a $577,900,000 reduction voted by the Senate, I voted to reduce funds for military assistance by $150,000,000.
Inter-American program	600,000,000	600,000,000	I voted against the authorization for this program when it passed the Senate in 1960, and I voted against the conference report on the appropriation bill in 1961 to protest this unnecessary spending. I am not claiming any saving, however, since there was no opportunity to speak against this bill when it passed the Senate this year.
DOMESTIC			
Agriculture	6,089,244,000	5,967,457,500	
Commerce and general government.	666,278,000	649,493,200	In addition to a $15,839,800 reduction voted by the Senate, I sponsored an amendment to cut funds for the U.S. Travel Office by almost $1,000,000.
District of Columbia (Federal payment).	39,753,000	32,753,000	
Independent offices	9,174,561,000	9,020,681,500	In addition to a $75,791,500 reduction voted by the Senate, I sponsored amendments to cut 7 items back to the administration's requests, which would have saved $59,488,000. I also voted for amendments to eliminate a $12,000,000 subsidy for a commercial supersonic airplane and a $6,900,000 subsidy for helicopter service in New York, Chicago, and Los Angeles.
Interior	782,387,000	823,024,850	
Labor-HEW	5,004,281,081	4,863,518,500	

The Senate bill was $157,098,919 over the President's request. On 29 items the Senate was $297,861,500 above the President. On other items they were $140,762,581 below the President. The Proxmire amendment would have reduced each of the 29 items to the level requested by President Kennedy, leaving the cuts made by the Senate on other administration requests intact. As a result my amendment would have reduced the Senate bill by $297,861,500 and the President's request by $140,762,581.

	President's budget request to the Senate	Proxmire vote	Remarks
Legislative	$136,082,802	$135,432,065	
Public works	4,000,788,000	3,940,926,880	
State-Justice-judiciary	795,891,202	762,038,550	
Treasury-Post Office	5,371,801,000	5,327,631,000	
Supplemental, 1962	1,134,639,841	1,068,503,903	
3d supplemental, 1961	5,275,213,127	4,637,419,970	
4th supplemental, 1961	88,024,000	47,214,000	

Proxmire reduction in Federal spending

Defense	−$101,074,250
Foreign aid	−727,900,000
Domestic	−1,282,849,135
Total	−2,111,823,385

Voting Record of Congressman Charles McC. Mathias, Jr.

EXTENSION OF REMARKS
OF
HON. CHARLES McC. MATHIAS, JR.
OF MARYLAND
IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 27, 1961

Mr. MATHIAS. Mr. Speaker, under the permission granted I included in the CONGRESSIONAL RECORD my voting record for the 1st session of the 87th Congress:

Rollcall No. 1: Call by States, January 3, 1961; MATHIAS, present.

Rollcall No. 2: Election of Speaker of the House of Representatives for the 87th Congress. The nominees were Representatives SAM RAYBURN, Democrat, of Texas, and CHARLES A. HALLECK, Republican, of Indiana. An "R" on the chart represents a vote for RAYBURN, and an "H," a vote for HALLECK, (R) 258, (H) 170; January 3, 1961; MATHIAS, H.

Rollcall No. 3: House Resolution 1, a resolution barring George O. Chambers, Republican, the certified victor in Indiana's Fifth District, or his opponent, J. Edward Roush, Democrat, from taking the oath as Representative. The resolution was to refer the election results to the Committee on House Administration for investigation on motion to move the previous question "thus terminating debate," January 3, 1961; yea, 252; nay, 166. MATHIAS, nay.

Rollcall No. 4: Call of the House, January 31, 1961; MATHIAS, present.

Rollcall No. 5: House Resolution 127, a resolution providing that during the 87th Congress the Committee on Rules shall be composed of 15 members. On agreeing to resolution, January 31, 1961; MATHIAS, yea.

Rollcall No. 6: Call of the House, March 6, 1961; MATHIAS, present.

Rollcall No. 7: H.R. 4806, Temporary Extended Unemployment Compensation Act of 1961, authorizing Federal grants to the States for the temporary extension of unemployment benefits to workers who had exhausted their benefits from regular State unemployment programs. Passed 392–30, March 1, 1961; MATHIAS, yea.

Rollcall No. 8: House Resolution 167, a resolution to authorize the expenditure of funds for the expenses of the Committee on Un-American Activities. Adopted 412–6, March 1, 1961; MATHIAS, yea.

Rollcall No. 9: H.R. 5188. Third supplemental appropriation bill for fiscal 1961. FOGARTY, Democrat, of Rhode Island, amendment to provide an additional $29,990,000 for payments to school districts in impacted areas (principally those with Federal installations). Agreed to 339–62, March 7, 1961; MATHIAS, yea.

Rollcall No. 10: Call of the House, March 8, 1961; MATHIAS, present.

Rollcall No. 11: Call in committee, March 8, 1961; MATHIAS, present.

Rollcall No. 12: Call of the House, March 9, 1961; MATHIAS, present.

Rollcall No. 13: H.R. 4510, Emergency Feed-Grains Program for 1961. On motion to send bill back to the Committee on Agriculture for further consideration and to omit from the bill the granting of authority to the Secretary of Agriculture to sell Government-owned corn and grain sorghums on the market at 17 percent below the price support price. Recommittal motion rejected, 196–214, March 9, 1961; MATHIAS, yea.

Rollcall No. 14: H.R. 4510, Emergency Feed-Grains Program for 1961. Passage of the bill. Passed 209–202, March 9, 1961; MATHIAS, nay.

Rollcall No. 15: Call of the House, March 10, 1961; MATHIAS, present.

Rollcall No. 16: Call of the House, March 15, 1961; MATHIAS, present.

Rollcall No. 17: H.R. 4510, Emergency Feed-Grains Program for 1961. Adoption of the conference report. Agreed to 231–185, March 21, 1961; MATHIAS, nay.

Rollcall No. 18: Call of the House, March 21, 1961; MATHIAS, present.

Rollcall No. 19: H.R. 5463, extend the Sugar Act of 1948 through December 31, 1962, and authorize the President to deny the Dominican Republic any quota bonus resulting from a cutback in the Cuban allotment. Passed under suspension of the rules (two-thirds majority required) 284–129; March 21, 1961 (276 yeas were necessary for passage); MATHIAS, yea.

Rollcall No. 20: H.R. 4806, Temporary Extended Unemployment Compensation Act of 1961, authorizing Federal advances to permit the States to extend unemployment insurance payments for up to 13 weeks beyond the regular payment period for workers who exhausted normal benefits during the recession. Adoption of the conference report. Agreed to 363–31, March 22, 1961; MATHIAS, announced for.

Rollcall No. 21: Call of the House, March 23, 1961; MATHIAS, present.

Rollcall No. 22: H.R. 5000, military construction authorization bill for fiscal 1962. Amendment to strike an authorization of $3,812,000 for an Army Quartermaster research project in Natick, Mass., and substitute a section authorizing $10,000 for a study of the feasibility of keeping the project in Chicago. Agreed to 269–145. March 23, 1961; MATHIAS, nay.

Rollcall No. 23: H.R. 5000, authorize appropriations of $804,573,000 in fiscal 1962 for military construction. Passage of the bill. Passed 412–0, March 23, 1961; MATHIAS, yea.

Rollcall No. 24: Call in Committee, March 23, 1961; MATHIAS, present.

Rollcall No. 25: Call in Committee, March 23, 1961; MATHIAS, present.

Rollcall No. 26: Call of the House, March 24, 1961; MATHIAS, present.

Rollcall No. 27: H.R. 3935, Fair Labor Standards Amendments of 1961. Committee version, raising the minimum wage for 23.9 million workers already covered from $1 an hour to $1.25 in two steps, and extending minimum wage and overtime coverage to 4,311,000 additional workers. AYERS, Republican, of Ohio; KITCHIN, Democrat, of North Carolina, amendment substituting a new text raising the minimum for the 23.9 million covered workers to $1.15 an hour, and extending minimum wage coverage (at $1 an hour) but not overtime coverage to 1,300,000 additional workers. Agreed to 216–203, March 24, 1961; MATHIAS, yea.

Rollcall No. 28: H.R. 3935, HIESTAND, Republican, of California, motion to recommit the bill. Rejected 196–224, March 24, 1961; MATHIAS, nay.

Rollcall No. 29: H.R. 3935, passage of the bill as amended by AYRES and KITCHIN. Amended 341–78, March 24, 1961; MATHIAS, yea.

Rollcall No. 30: Call of the House, March 28, 1961; MATHIAS, present.

Rollcall No. 31: Call of the House, March 28, 1961; MATHIAS, present.

Rollcall No. 32: S. 1, an act to establish an effective program to alleviate conditions of substantial and persistent unemployment and underemployment in certain economically distressed areas. On motion to recommit (WIDNALL substitute) (failed), March 29, 1961; MATHIAS, nay.

Rollcall No. 33: S. 1, an act to establish an effective program to alleviate conditions of substantial and persistent unemployment and underemployment in certain economically distressed areas. On passage, March 29, 1961; MATHIAS, yea.

Rollcall No. 34: Call of the House, April 11, 1961; MATHIAS, present.

Rollcall No. 35: Call of the House, April 13, 1961; MATHIAS, present.

Rollcall No. 36: Call of the House, April 18, 1961; MATHIAS, present.

Rollcall No. 37: Call of the House, April 19, 1961; MATHIAS, present.

Rollcall No. 38: S. 912, an act to provide for the appointment of 10 new Federal circuit court judgeships and 60 new district court judgeships, April 19, 1961. Yea, 337; nay, 76. MATHIAS, yea.

Rollcall No. 39: Call of the House, April 20, 1961; MATHIAS, present.

Rollcall No. 40: H.R. 6027, social security amendments of 1961, increasing minimum benefits for retired workers, permitting men as well as women to retire at age 62 with reduced benefits, liberalizing eligibility requirements and providing an increased payroll tax. April 20, 1961; yea, 400; nay, 14; MATHIAS, yea.

Rollcall No. 41: Call of the House, April 25, 1961; MATHIAS, present.

Rollcall No. 42: H.R. 6518, a bill to appropriate $500 million for the Inter-American Social and Economic Cooperation Program and $100 million for the Chilean Reconstruction and Rehabilitation Program for the fiscal year ending June 30, 1961. April 25, 1961; yea, 329; nay, 83. MATHIAS, yea.

Rollcall No. 43: Call of the House, April 26, 1961; MATHIAS, present.

Rollcall No. 44: S. 1, Area Redevelopment Act, authorizing $394 million in Federal loans and grants for redevelopment of economically depressed industrial and rural areas. Adoption of the conference report. April 23, 1961. Yea, 224; nay, 193. MATHIAS, yea.

Rollcall No. 45: Call of the House. May 3, 1961. MATHIAS, present.

Rollcall No. 46: H.R. 3935, fair labor standards amendment of 1961. Conference report, raising the minimum wage for 23.9 million workers already covered by the Fair Labor Standards Act to $1.25 an hour, reached in two steps over 2 years, and extending minimum wage coverage (at $1.25 an hour, reached after 4 years (and overtime coverage (with some exceptions) to about 3,624,000 additional workers, mainly in the retail trade. May 3, 1961. Yea, 230; nay, 196. MATHIAS, nay.

Rollcall No. 47: H.R. 6441, Federal Water Pollution Control Act Amendments of 1961, increasing the annual authorization for Federal grants to help communities construct sewage treatment plants from $50 million ot $100 million and the overall limit from $500 million to $1 billion. CRAMER, Republican of Florida, motion to recommit the bill with instructions that the Public Works Committee reduce the amount of the annual authorization to $75 million and the overall limit to $750 million and require that after June 30, 1964, grants in any one fiscal year exceeding the original $50 million allotments be matched by the State. May 3, 1961; yea, 165; nay, 256; MATHIAS, yea.

Rollcall No. 48: H.R. 6441, Federal Water Pollution Control Act Amendments of 1961 Passage of the bill May 3, 1961; yea, 308; nay, 110; MATHIAS, yea.

Rollcall No. 49: Call in Committee, May 4, 1961; MATHIAS, present.

Rollcall No. 50: Call in Committee, May 9, 1961; MATHIAS, present.

Rollcall No. 51: Call in the House, May 10, 1961; MATHIAS, present.

Rollcall No. 52: Call of the House, May 11, 1961; MATHIAS, present.

Rollcall No. 53: H.R. 2010, extend for 2 years, without change, the law permitting Mexicans to enter the United States for farmwork (Public Law 82–78). May 11, 1961; yea, 231; nay, 157. MATHIAS, nay.

Rollcall No. 54: H.R. 6094, raise the ceiling on appropriations for salaries of members and employees of the Council of Economic Advisers from the current $345,000 annually to $2 million. GROSS, Republican, of Iowa, motion to recommit the bill to the Government Operations Committee with instructions to reduce the salary ceiling to $700,000. May 11, 1961; yea, 152; nay, 196; MATHIAS, yea.

Rollcall No. 55: H.R. 6094, passage of the bill, May 11, 1961; yea, 209; nay, 137; MATHIAS, nay.

Rollcall No. 56: Call of the House, May 15, 1961; MATHIAS, present.

Rollcall No. 57: Call of the House, May 16, 1961; MATHIAS, present.

Rollcall No. 58: House Resolution 284, a resolution providing for the consideration of H.R. 4614, a bill to direct the Secretary of Commerce to take steps to encourage travel to the United States by residents of foreign countries, to establish an Office of International Travel and Tourism, and for other purposes. On agreeing to resolution, May 16, 1961; yea, 241; nay, 70; MATHIAS, yea.

Rollcall No. 59: Call in Committee, May 16, 1961; MATHIAS, present.

Rollcall No. 60: Call of the House, May 17, 1961; MATHIAS, present.

Rollcall No. 61: House Concurrent Resolution 226, concurrent resolutions expressing the sense of the Congress that such steps as may be necessary should be initiated in the Organization of American States to reevaluate the role of the Government of Cuba in inter-American affairs for the purpose of imposing sanctions under the Inter-American Treaty of Reciprocal Assistance, and for other purposes. On motion to suspend rules and passage, May 17, 1961; yea, 404; nay, 2; MATHIAS, yea.

Rollcall No. 62: H.R. 4614, passage of the bill establishing an Office of International Travel and Tourism. The bill directs the Secretary of Commerce to take steps to encourage travel to the United States by residents of foreign countries. May 17, 1961; yea, 305; nay, 104; MATHIAS, yea.

Rollcall No. 63: Call of the House, May 24, 1961; MATHIAS, present.

Rollcall No. 64: S. 1852. Authorize appropriations for procurement of aircraft, missiles, and naval ships in fiscal 1962. May 24, 1961; yea, 402; nay, 0; MATHIAS, yea.

Rollcall No. 65: H.R. 1986. A bill to repeal the provisions of section 5 of the act of July 28, 1916, as amended, relating to the furnishing of information to the Postmaster General by the Interstate Commerce Commission with respect to revenue received by railroads from express companies for the transportation of express matter. On motion to recommit with instructions. May 25, 1961; yea, 16; nay, 346; MATHIAS, nay.

Rollcall No. 66: Call in committee, June 1, 1961; MATHIAS, present.

Rollcall No. 67: H.R. 7371. Appropriate $751,300,050 for the Departments of State and Justice, the judiciary and related agencies in fiscal 1962. June 1, 1961; yea, 256; nay, 71; MATHIAS, yea.

Rollcall No. 68: Call of the House, June 6, 1961; MATHIAS, present.

Rollcall No. 69: Call in committee, June 6, 1961; MATHIAS, present.

Rollcall No. 70: H.R. 7444, Agriculture Department appropriations for the fiscal 1962. REUSS, Democrat, of Wisconsin, amendment to reduce the $250 million authorization for agricultural conservation program payments in calendar 1962 to $150 million, as proposed by the President. June 6, 1961; yea, 184; Nay, 196; MATHIAS, nay.

Rollcall No. 71: H.R. 7444. Passage of the bill appropriating $5,948,466,000 for the Agriculture Department and Commodity Credit Corporation. June 6, 1961; yea, 320; nay, 65. MATHIAS, yea.

Rollcall No. 72: Call of the House, June 7, 1961; MATHIAS, present.

Rollcall No. 73: Call of the House, June 8, 1961; MATHIAS, present.

Rollcall No. 74: Call of the House, June 8, 1961; MATHIAS, present.

Rollcall No. 75: H.R. 7446. A bill to provide a 1-year extension of the existing corporate normal-tax rate and of certain excise-tax rates. On motion to recommit with instructions to remove extension of excise tax on transportation from the bill. June 8, 1961; yea, 189; nay, 196; MATHIAS, yea.

Rollcall No. 76: H.R. 7446. A bill to provide a 1-year extension of the existing corporate normal-tax rate and of certain excise-tax rates. On passage. June 8, 1961; yea, 295; nay, 88; MATHIAS, yea.

Rollcall No. 77: Call of the House, June 12, 1961; MATHIAS, present.

Rollcall No. 78: H.R. 7053, a bill to provide for the admission of certain evidence in the courts of the District of Columbia, and for other purposes. On motion to recommit, June 12, 1961; yea, 104; nay, 252; MATHIAS, nay.

Rollcall No. 79: Call of the House, June 13, 1961; MATHIAS, present.

Rollcall No. 80: Call of the House, June 14, 1961; MATHIAS, present.

Rollcall No. 81: Call of the House, June 15, 1961; MATHIAS, present.

Rollcall No. 82: H. Res. 303. Resolution disapproving the President's Reorganization Plan for the Federal Communications Commission. June 15, 1961; yea, 323; nay, 77; MATHIAS, yea.

Rollcall No. 83: H. Res. 302. Resolution disapproving the President's Reorganization Plan for the Securities and Exchange Commission. June 15, 1961; yea, 176; nay, 212; MATHIAS, yea.

Rollcall No. 84: Call of the House, June 19, 1961. MATHIAS, present.

Rollcall No. 85: H.R. 6765, authorize U.S. acceptance of an amendment to the chapter of the International Finance Corporation, an affiliate of the World Bank, to permit the IFC to extend its investments in private companies in underdeveloped countries by acquiring capital stock. June 10, 1961; yea, 329; nay, 18; MATHIAS, yea.

Rollcall No. 86: H.R. 7712, fourth supplemental appropriation bill for fiscal 1961, providing $47,214,000 for the Departments of State, Justice, Treasury, and Defense, of which $32,204,000 in State Department funds was committed to pay the U.S. assessment for the U.N. action in the Congo. June 19, 1961; yea, 292; nay, 63; MATHIAS, yea.

Rollcall No. 87: Call of the House, June 20, 1961; MATHIAS, present.

Rollcall No. 88: House Resolution 304. Resolution disapproving the Reorganization Plan for the Civil Aeronautics Board. June 20, 1961; yea, 178; nay, 213; MATHIAS, yea.

Rollcall No. 89: House Resolution 305. Resolution disapproving the President's Reorganization Plan for the Federal Trade Commission. June 20, 1961; yea, 178; nay, 221; MATHIAS, yea.

Rollcall No. 90: Call of the House, June 21, 1961; MATHIAS, present.

Rollcall No. 91: Call of the House, June 21, 1961; MATHIAS, present.

Rollcall No. 92: Call in committee, June 21, 1961; MATHIAS, present.

Rollcall No. 93: Call in committee, June 21, 1961; MATHIAS, present.

Rollcall No. 94: Call of the House, June 21, 1961; MATHIAS, present.

Rollcall No. 95: H.R. 6028, Housing Act of 1961. Motion to instruct Currency Committee to report out a substitute bill extending existing programs for 1 year, with a $1.1 billion authorization. June 22, 1961; yea, 197; nay, 215; MATHIAS, yea.

Rollcall No. 96: H.R. 6028, passage of the bill, authorizing $4.9 billion in housing programs over 4 years. June 22, 1961; yea, 235; nay, 178; MATHIAS, nay.

Rollcall No. 97: Call of the House, June 26, 1961; MATHIAS, present.

Rollcall No. 98: Call of the House, June 26, 1961. MATHIAS, present.

Rollcall No. 99: H.R. 7677, increase the national debt limit ceiling for 1 year from its permanent $285 billion level to $298 billion during fiscal 1962. June 26, 1961; yea, 231; nay, 148; MATHIAS, yea.

Rollcall No. 100: Call of the House, June 27, 1961; MATHIAS, absent.

Rollcall No. 101: Call in Committee, June 27, 1961; MATHIAS, present.

Rollcall No. 102: Call in Committee, June 27, 1961; MATHIAS, present.

Rollcall No. 103: Call in Committee, June 28, 1961; MATHIAS, present.

Rollcall No. 104: H.R. 7851, defense appropriations for fiscal year 1962. Amendment to delete a provision, submitted in the President's defense budget, prohibiting price differentials in favor of economically depressed areas. June 28, 1961; yea, 173; nay, 239; MATHIAS, yea.

Rollcall No. 105: H.R. 7851, a bill making appropriations for the Department of Defense for the fiscal year ending June 30, 1962, and for other purposes. On passage. June 28, 1961; yea, 412; nay, 0; MATHIAS, yea.

Rollcall No. 106: S. 1922, Housing Act of 1961, authorizing $4.88 billion in housing programs over 4 years. Conference report agreed to by House. June 28, 1961; yea, 229; nay, 176; MATHIAS, nay.

Rollcall No. 107: House Resolution 354, a resolution to provide for a flag for the Members of the House of Representatives. June 29, 1961; yea, 108; nay, 270; MATHIAS, yea.

Rollcall No. 108: House Joint Resolution 225, a joint resolution to grant the consent of Congress to the Delaware River Basin Compact and to enter into such compact on behalf of the United States, and for related purposes. June 29, 1961; yea, 92; nay, 257; MATHIAS, yea.

Rollcall No. 109: H.R. 187, establish uniform procedures for Federal court review of alien deportation and exclusion orders issued by the Justice Department. Passed under suspension of the rules (two-thirds majority required). July 10, 1961; yea, 304; nay, 59; MATHIAS, yea.

Rollcall No. 110: S. 857, a bill to provide for the establishment of Cape Cod National Seashore. July 10, 1961; yea, 278; nay, 82; MATHIAS, yea.

Rollcall No. 111: Call of the House, July 13, 1961; MATHIAS, present.

Rollcall No. 112: House Joint Resolution 435, a joint resolution to provide for recognition of the centennial of the establishment of the Department of Agriculture and for other purposes. July 17, 1961; yea, 367; nay, 12; MATHIAS, yea.

Rollcall No. 113: H.R. 2555, a bill to provide for allotment and advancement of pay with respect to civilian employees of the United States in cases of emergency evacuations in oversea areas, and for other purposes. July 17, 1961; yea, 285; nay, 87; MATHIAS, yea.

Rollcall No. 114: Call of the House, July 19, 1961; MATHIAS, present.

Rollcall No. 115: Call in Committee, July 19, 1961; MATHIAS, present.

Rollcall No. 116: H.R. 6874, authorize fiscal 1962 appropriation of $1,784,300,000 for the National Aeronautics and Space Administration. Adoption of the conference report. July 20, 1961; yea, 254; nay, 59; MATHIAS, yea.

Rollcall No. 117: House Resolution 328, resolution disapproving the President's reorganization plan for the National Labor Relations Board. July 20, 1961; yea, 231; nay, 179; MATHIAS, yea.

Rollcall No. 118: House Resolution 336, resolution disapproving the President's reorganization plan for the Federal Maritime Board and the Maritime Board and the Maritime Administration. GROSS, Republican, of Iowa, motion to discharge House Resolution 336 from the Government Operations Committee. July 20, 1961; yea, 231; nay, 179; MATHIAS, yea.

Rollcall No. 119: H.R. 8302, a bill making appropriations for military construction for the Department of Defense for the fiscal year ending June 30, 1962, and for other purposes. On YATES' amendment. (Quartermaster Research and Engineering Center, Natick, Mass.) July 25, 1961; yea, 241; nay, 170; MATHIAS, nay.

Rollcall No. 120: H.R. 8302, appropriate for fiscal 1962, $883,359,000 for construction at military installations in the United States and abroad. July 25, 1961; yea, 409; nay, 0; MATHIAS, yea.

Rollcall No. 121: Call of the House, July 26, 1961; MATHIAS, present.

Rollcall No. 122: Call of the House, July 27, 1961; MATHIAS, present.

Rollcall No. 123: Call of the House, July 31, 1961; MATHIAS, present.

Rollcall No. 124: Senate Joint Resolution 120, give the President discretionary authority to call up to 250,000 members of the Ready Reserves and extend for 12 months the tours of duty of persons currently on active duty with the Armed Forces, for the purpose of meeting a possible crisis in Berlin or elsewhere. July 31, 1961; yea, 403; nay, 2; MATHIAS, yea.

Rollcall No. 125: Call of the House, August 1, 1961; MATHIAS, present.

Rollcall No. 126: Call of the House. August 2, 1961; MATHIAS, present.

Rollcall No. 127: S. 2311, authorize $958,570,000 additional appropriations for aircraft, missiles, and naval vessels to meet a possible crisis in Berlin or elsewhere. August 2, 1961; yea, 460; nay, 0; MATHIAS, yea.

Rollcall No. 128: H.R. 30, a bill granting the consent and approval of Congress to the Northeastern Water and Related Land Re-

sources Compact. August 2, 1961; yea, 140; nay, 261; MATHIAS, yea.

Rollcall No. 129: Call of the Houre, August 3, 1961; MATHIAS, present.

Rollcall No. 130: S. 1643, an act to improve and protect farm prices and farm income, to increase farmer participation in the development of farm programs, to adjust supplies of agricultural commodities in line with requirements therefor, to improve distribution and expand exports of agricultural commodities to liberalize and extend farm credit services, to protect the interest of consumers, and for other purposes. August 3, 1961; yea, 224; nay, 170; MATHIAS, nay.

Rollcall No. 131: Call in Committee, August 3, 1961; MATHIAS, present.

Rollcall No. 132: H.R.7856. A bill to amend the Communications Act of 1934, as amended, for the purpose of facilitating the prompt and orderly conduct of the business of the Federal Communications Commission. August 3, 1961; yea, 198; nay, 151; MATHIAS, yea.

Rollcall No. 182: H.R. 7856, a bill to amend title 10, United States Code, to authorize the Secretary of a military department to sell goods and services to the owner of an aircraft or his agent in an emergency, or when in the best interests of the United States, and for other purposes. August 7, 1961; yea, 307; nay, 78; MATHIAS, nay.

Rollcall No. 134: Call of the House, August 8, 1961; MATHIAS, present.

Rollcall No. 135: House Resolution 404, a resolution taking H.R. 7576 from the Speaker's table and agreeing to a conference. On motion that motion to instruct conferees to be laid on table. August 8, 1961; yea, 164; nay, 235; MATHIAS, nay.

Rollcall No. 136: House Resolution 404, a resolution taking H.R. 7576 from the Speaker's table and agreeing to a conference. On Van Zandt motion instruct conferees on H.R. 7576 not to agree to Senate amendment. ($95 million, Hanford, Wash., electric energy generating facilities.) August 8, 1961; yea, 235; nay, 164; MATHIAS, yea.

Rollcall No. 137: Call in Committee, August 8, 1961; MATHIAS, present.

Rollcall No. 135: H.R. 8033. Reorganize the Interstate Commerce Commission to permit delegation to employee boards of ICC review authority in adjudicative cases. August 8, 1961. Yea, 212; nay, 174; MATHIAS, yea.

Rollcall No. 139: Call of the House. August 9, 1961. MATHIAS, present.

Rollcall No. 140: House Resolution 406. A resolution providing for the consideration of H.R. 6882, a bill to provide for one additional Assistant Secretary of Labor in the Department of Labor. On agreeing to resolution. August 9, 1961. Yea, 369; nay, 16. MATHIAS, yea.

Rollcall No. 141: Call of the House. August 9, 1961. MATHIAS, present.

Rollcall No. 142: H.R. 6302. Transfer ownership and administration of Freedmen's Hospital, D.C., from the Federal Government to Howard University and authorize appropriations for construction of a teaching hospital to replace the old Freedmen's Hospital plant. August 9, 1961. Yea, 321; nay, 61. MATHIAS, yea.

Rollcall No. 143: Call of the House. August 10, 1961. MATHIAS, present.

Rollcall No. 144: H.R. 7851, Defense appropriation bill for fiscal 1962, appropriating $46,662,556,000 for the Armed Forces and civil defense. Adoption of the conference report. August 10, 1961; yea, 383; nay, 0; MATHIAS, yea.

Rollcall No. 145: Call in Committee, August 10, 1961; MATHIAS, present.

Rollcall No. 146: Call of the House, August 14, 1961; MATHIAS, present.

Rollcall No. 147: Call of the House, August 14, 1961; MATHIAS, present.

Rollcall No. 148: Call of the House, August 14, 1961; MATHIAS, present.

Rollcall No. 149: Call in Committee, August 14, 1961; MATHIAS, present.

Rollcall No. 150: Call of the House, August 15, 1961; MATHIAS, present.

Rollcall No. 151: Call in Committee, August 15, 1961; MATHIAS, present.

Rollcall No. 152: Call in Committee, August 15, 1961; MATHIAS, present.

Rollcall No. 153: Call of the House, August 16, 1961; MATHIAS, present.

Rollcall No. 154: Call in Committee, August 16, 1961; MATHIAS, present.

Rollcall No. 155: Call of the House, August 17, 1961; MATHIAS, present.

Rollcall No. 156: Call of the House, August 18, 1961; MATHIAS, present.

Rollcall No. 157: H.R. 8400, a bill to promote the foreign policy, security, and general welfare of the United States by assisting peoples of the world in their efforts toward economic and social development and internal and external security, and for other purposes. On passage August 18, 1961; yea, 287; nay, 140; MATHIAS, yea.

Rollcall No. 158: Call of the House, August 21, 1961; MATHIAS, present.

Rollcall No. 159: Call of the House, August 21, 1961; MATHIAS, present.

Rollcall No. 160: H.R. 8384, amend the Federal Aviation Act of 1958 to make airplane hijacking a Federal offense punishable by imprisonment or death and to provide penalties under Federal law for other crimes committed in commercial aircraft. August 21, 1961; yea, 374; nay, 5; MATHIAS, yea.

Rollcall No. 161: Call of the House, August 21, 1961; MATHIAS, present.

Rollcall No. 162: Call of the House, August 22, 1961; MATHIAS, present.

Rollcall No. 163: Call of the House, August 22, 1961; MATHIAS, present.

Rollcall No. 164: H.R. 7763, a bill to provide for planning the participation of the United States in the New York World's Fair, to be held at New York City in 1964 and 1965, and for other purposes. On motion to suspend rules and pass. August 22, 1961; yea, 353; nay, 42; MATHIAS, yea.

Rollcall No. 165: Call of the House, August 23, 1961; MATHIAS, present.

Rollcall No. 166: Call of the House, August 24, 1961; MATHIAS, present.

Rollcall No. 167: H.R. 84, a bill to stabilize the mining of lead and zinc by small domestic producers on public, Indian, and other lands, and for other purposes. August 24, 1961; yea, 196; nay, 172; MATHIAS, nay.

Rollcall No. 168: Call in committee, August 24, 1961; MATHIAS, present.

Rollcall No. 169: H.R. 8181, a bill to authorize the Secretary of the Interior to construct a National Fisheries Center and Aquarium in the District of Columbia and for oceanographic research. The question is on engrossment and third reading of the bill. August 28, 1961; yea, 223; nay, 120; MATHIAS, yea.

Rollcall No. 170: H.R. 8181, a bill to authorize the Secretary of the Interior to construct a National Fisheries Center and Aquarium in the District of Columbia and for oceanographic research. August 28, 1961; yea, 208; nay, 135; MATHIAS, yea.

Rollcall No. 171: H.R. 7176, a bill to provide for a national hog cholera eradication program. August 28, 1961; yea, 337; nay, 3; MATHIAS, yea.

Rollcall No. 172: Call of the House, August 29, 1961; MATHIAS, present.

Rollcall No. 173: H.R. 8773, a bill to amend section 265 of the Armed Forces Reserve Act of 1952, as amended (50 U.S.C. 1016), relating to lump sum readjustment payments for members of the Reserve components who are involuntarily released from active duty, and for other purposes. August 29, 1961; yea, 394; nay, 0; MATHIAS, yea.

Rollcall No. 174: Call of the House, August 29, 1961; MATHIAS, present.

Rollcall No. 175: H.R. 6242, a bill to amend section 508 of Title 28, United States Code, relating to attorneys' salaries. August 29, 1961; yea, 172; nay, 223; MATHIAS, nay.

Rollcall No. 176: Call of the House, August 30, 1961; MATHIAS, present.

Rollcall No. 177: H.R. 8890, on question to consider under Calendar Wednesday procedure, a bill to amend Public Law 815 and Public Law 874, Eighty-first Congress, so as to extend their expired provisions for an additional year and to authorize payments under Public Law 815 for school construction in school districts with severe classroom shortages, to etxend for 1 year the student loan program of title II of the National Defense Education Act of 1958, and for other purposes. August 30, 1961; yea, 170; nay, 242; MATHIAS, nay.

Rollcall No. 178: Call in Committee, August 30, 1961; MATHIAS, present.

Rollcall No. 179: H.R. 8028, authorize $10 million annually for 3 years for conducting pilot projects and training personnel for controlling juvenile delinquency. GRIFFIN, Republican, of Michigan, amendment to limit all pilot demonstration projects to the District of Columbia. August 30, 1961; yea, 187; nay, 217; MATHIAS, nay.

Rollcall No. 180: Senate Concurrent Resolution 34, resolution stating the sense of Congress as opposed to the admission of Communist China to the United Nations and to U.S. recognition of Communist China. August 31, 1961; yea, 395; nay, 0; MATHIAS, yea.

Rollcall No. 181: S. 1983, Foreign Assistance Act of 1961, conference report, authorizing $4,253,500,000 in fiscal 1962 for foreign aid and $1.5 billion in each of the following 4 years for development loans. August 31, 1961; yea, 260; nay, 132; MATHIAS, yea.

Rollcall No. 182: Call of the House, September 5, 1961; MATHIAS, present.

Rollcall No. 183: Call in committee, September 5, 1961; MATHIAS, present.

Rollcall No. 184: H.R. 9033, Foreign Assistance Appropriation Act of 1961. PASSMAN, Democrat, of Louisiana, amendment as amended by FORD, Republican, of Michigan, increasing the military aid appropriation from $1.3 billion to $1.6 billion in fiscal 1962. (The Passman amendment would have increased the military aid appropriation for fiscal 1962 from $1.3 billion to $1.475 billion.) September 5, 1961; yea, 243; nay, 151; MATHIAS, yea.

Rollcall No. 185: H.R. 9033, Foreign Assistance Appropriation Act of 1961. Passage of the bill. September 5, 1961; yea, 270; nay, 123; MATHIAS, yea.

Rollcall No. 186: Call of the House, September 6, 1961; MATHIAS, present.

Rollcall No. 187: Call of the House, September 6, 1961; MATHIAS, present.

Rollcall No. 188: H.R. 9000, 2-year extension of Federal aid to schools in federally impacted areas and of the National Defense Education Act. Passed under suspension of the rules (two-thirds majority required). September 6, 1961; yea, 378; nay, 32; MATHIAS, yea.

Rollcall No. 189: Call of the House, September 6, 1961; MATHIAS, present.

Rollcall No. 190: H.R. 8723, amend the Welfare and Pension Plans Disclosure Act of 1958 to provide for its more effective enforcement. POWELL, Democrat, of New York, motion to pass the bill under suspension of the rules (two-thirds majority required). September 6, 1961; yea, 245; nay, 161; MATHIAS, yea.

Rollcall No. 191: H.R. 8666. A bill to provide for the improvement and strengthening of the international relations of the United States by promoting better mutual understanding among the peoples of the world through educational and cultural exchanges. September 6, 1961. Yea, 329; nay, 66; MATHIAS, yea.

Rollcall No. 192: Call of the House, September 6, 1961; MATHIAS, present.

Rollcall No. 193: Call of the House, September 11, 1961; MATHIAS, absent.

Rollcall No. 194: Call of the House, September 12, 1961; MATHIAS, present.

Rollcall No. 195: Call in Committee, September 12, 1961; MATHIAS, present.

Rollcall No. 196: Call of the House, September 13, 1961; MATHIAS, present.

Rollcall No. 197: H.R. 8302, military construction appropriation bill. SHEPPARD, Democrat, of California, motion to disagree to a Senate amendment denying $3,812,000 for transferring the Army's Food and Container Institute from Chicago, Ill., to Natick, Mass., September 13, 1961; yea, 212; nay, 185; MATHIAS, nay.

Rollcall No. 198: H.R. 7371, appropriation bill for the State and Justice Departments, ROONEY, Democrat, of New York, motion to agree to a Senate amendment extending the Civil Rights Commission for 2 years, September 13, 1961; yea, 300; nay, 106; MATHIAS, yea.

Rollcall No. 199: H.R. 9076, public works appropriation bill for fiscal 1962. JENSEN, Republican, of Iowa, motion to recommit the bill to the Appropriations Committee with instructions to reduce by $4,225,000 the appropriation for construction of transmission lines in connection with the upper Colorado River Basin project and prohibit construction by the Federal Government of grid lines interconnecting the three major hydroelectric powerplants in the project. September 13, 1961; yea, 182; nay, 225; MATHIAS, yea.

Rollcall No. 200: H.R. 9076, passage of the bill, September 13, 1961; yea, 378; nay, 31; MATHIAS, yea.

Rollcall No. 201: Call of the House, September 13, 1961; MATHIAS, present.

Rollcall No. 202: H.R. 7576, authorize $328,440,000 for construction by the Atomic Energy Commission. Adoption of the conference report, which authorized $58 million to add electric generating facilities to a plutonium production reactor at Hanford, Wash., September 13, 1961; yea, 156; nay, 252; MATHIAS, nay.

Rollcall No. 203: H.R. 8102, extend the Federal Airport Act. HARRIS, Democrat, of Arkansas, motion to amend the Senate version of the bill by limiting extension of the act to 3 years, and authorized appropriations, without contract authority, to $225 million, September 13, 1961; yea, 398; nay, 4; MATHIAS, yea.

Rollcall No. 204: Call of the House, September 14, 1961; MATHIAS, present.

Rollcall No. 205: H.R. 7500, a bill to provide for a Peace Corps to help the peoples of interested countries and areas in meeting their needs for skilled manpower, on passage, September 14, 1961; yea, 288; nay, 97; MATHIAS, yea.

Rollcall No. 206: Call of the House, September 15, 1961; MATHIAS, present.

Rollcall No. 207: House Resolution 455, resolution to send H.R. 2010, extending the Mexican farm labor program for 2 years, to conference. September 15, 1961; yea, 243; nay, 135; MATHIAS, nay.

Rollcall No. 208: House Resolution 464, rejection of closed rule prohibiting amendments from being offered to a bill raising postal rates (H.R. 7927) SISK, Democrat, of California, motion that, in effect, would assure consideration of the bill under the closed rule. September 15, 1961; yea, 142; Nay, 222; MATHIAS, nay.

Rollcall No. 209: Call of the House, September 16, 1961; MATHIAS, present.

Rollcall No. 210: S. 2393. Two-year extension of Federal aid to schools in impacted areas and of the National Defense Education Act. Passed under suspension of the rules (two-thirds majority required). September 18, 1961; yea, 342; nay, 18; MATHIAS, yea.

Rollcall No. 211: S. 1459. Increase the amounts of longevity step pay increases for postal workers and make the workers eligible after shorter service. September 18, 1961; yea, 362; nay, 4; MATHIAS, yea.

Rollcall No. 212: H.R. 5751, publicize the dissemination of Communist propaganda through the mails, September 18, 1961; yea, 369; nay, 2; MATHIAS, yea.

Rollcall No. 213: H.R. 8914, permit farmers in the summer fallow area (western Kansas and nearby areas) to plant a barley cover crop on land prepared for wheat before the acreage control program for 1962 took effect. POAGE, Democrat, of Texas, motion to suspend the rules and pass the bill (two-thirds majority required). September 18, 1961; yea, 213; nay, 151; MATHIAS, nay.

Rollcall No. 214: H.R. 7377, amend the Classification Act of 1949 to increase the number of "supergrade" positions under Civil Service. September 18, 1961; yea, 305; nay, 53; MATHIAS, yea.

Rollcall No. 215: Call of the House, September 19, 1961; MATHIAS, present.

Rollcall No. 216: H.R. 9118, a bill to establish a U.S. Arms Control Agency. On passage, September 19, 1961; yea, 290; nay, 54; MATHIAS, yea.

Rollcall No. 217: Call of the House, September 20, 1961; MATHIAS, present.

Rollcall No. 218: Call of the House, September 20, 1961; MATHIAS, present.

Rollcall No. 219: H.R. 7500, a bill to provide for a Peace Corps to help the peoples of interested countries and areas in meeting their needs for skilled manpower. Conference report on adoption, September 21, 1961; yeas, 253; nays, 79; MATHIAS, yea.

Rollcall No. 220: H.R. 5628, a bill to provide for a study and investigation of the desirability and feasibility of establishing and maintaining a National Tropical Botanic Garden. On motion to suspend rules and passed, September 21, 1961; yea, 215; nay, 125; MATHIAS, nay.

Rollcall No. 221: H.R. 4172, a bill to provide for the establishment of a Federal Advisory Council on the Arts to assist in the growth and development of the fine arts in the Nation's Capital and elsewhere in the United States. On motion to suspend rules and pass, (two-thirds majority required). September 21, 1961; yea, 166; nay, 173; MATHIAS, yea.

Rollcall No. 222: Call of the House, September 22, 1961; MATHIAS, present.

Rollcall No. 223: H.R. 258, a bill to amend the District of Columbia Sales Tax Act to increase the rate of tax imposed on certain gross receipts, to amend the District of Columbia Motor Vehicle Parking Facility Act of 1942 to transfer certain parking fees and other moneys to the highway fund, and for other purposes. Conference report, on adoption, September 22, 1961; yea, 142; nay, 159; MATHIAS, yea.

Rollcall No. 224: Call of the House, September 23, 1961; MATHIAS, present.

Rollcall No. 225: H.R. 7377, a bill to increase the limitation on the number of positions which may be placed in the top grades of the Classification Act of 1949, as amended, and on the number of research and development positions of scientists and engineers for which special rates of pay are authorized; to fix the compensation of hearing examiners; and for other purposes. Conference report, on adoption. September 23, 1961; yea, 229; nay, 71; MATHIAS, yea.

Rollcall No. 226: H.R. 9118, a bill to establish a U.S. Arms Control Agency. Conference report, on adoption. September 23, 1961; yea, 253; nay, 50; MATHIAS, yea.

Rollcall No. 227: Call of the House, September 26, 1961; MATHIAS, present.

Rollcall No. 228: Call of the House. September 26, 1961. MATHIAS, present.

Rollcall No. 229: H.R. 258, a bill to amend the District of Columbia Sales Tax Act to increase the rate of tax imposed on certain gross receipts, to amend the District of Columbia Motor Vehicle Parking Facility Act of 1942 to transfer certain parking fees and other moneys to the highway fund, and for other purposes. Conference report, on adoption. September 26, 1961; yea, 97; nay, 173. MATHIAS, yea.

Rollcall No. 230: H.R. 9033, a bill making appropriations for Foreign Assistance and related agencies for the fiscal year ending June 30, 1962, and for other purposes. Conference report, on adoption. September 26, 1961; yea, 192; nay, 81; MATHIAS, yea.

Rollcall No. 231: H.R. 9033, a bill making appropriations for foreign assistance and related agencies for the fiscal year ending June 30, 1962, and for other purposes. Conference report, on motion to recede and concur in Senate Amendment No. 27 with an amendment. September 26, 1961; yea, 152; nay, 119; MATHIAS, nay.

Equal Rights Amendment

EXTENSION OF REMARKS
OF

HON. HERMAN TOLL

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 27, 1961

Mr. TOLL. Mr. Speaker, I include in the RECORD a copy of the conference committee report on House Resolution 62, passed by the 1961 Pennsylvania General Assembly:

REPORT OF THE COMMITTEE OF CONFERENCE ON HOUSE RESOLUTION 62

To the Members of the Senate and House of Representatives:

We, the undersigned, committee of conference on the part of the senate and house of representatives for the purpose of considering House Resolution 62, resolving (the senate concurring): That the General Assembly of the Commonwealth of Pennsylvania hereby memorialize the Congress of the United States to adopt the equal rights for women amendment, respectfully submit the following bill as our report:

WILLIAM J. LANE,
PETER J. CAMIEL,
CLARENCE D. BELL,
Committee on the Part of the Senate.

MARION L. MUNLEY,
KATHRYN GRAHAM PASHLEY,
ELISABETH S. WYND,
Committee on the Part of the House of Representatives.

IN THE HOUSE OF REPRESENTATIVES,
April 24, 1961.

Whereas there has been introduced in the 87th Congress on January 3, 1961, the equal rights for women amendment, which has been referred to the Committee on the Judiciary; and

Whereas this amendment reads as follows: "Equality of rights under the law shall not be denied or abridged by the United States or by any State on account of sex": Therefore be it

Resolved (the senate concurring), That the General Assembly of the Commonwealth of Pennsylvania hereby memorializes the Congress of the United States to adopt the equal rights for women amendment; and be it further

Resolved, That copies of this resolution be transmitted to the presiding officers of each House of the Congress of the United States and to each Member of the Senate and the House of Representatives from the State of Pennsylvania in the Congress of the United States.

We certify that this bill has passed the house of representatives and the senate.

———— ————,
Chief Clerk, House of Representatives.

———— ————,
Speaker, House of Representatives.

———— ————,
President pro tempore, Senate.

Approved the —— day of ———— A.D. 1961.

———— ————,
Governor.

Chairman Heller Predicts Booming Economy but No Balanced Budget

EXTENSION OF REMARKS
OF
HON. WILLIAM PROXMIRE
OF WISCONSIN
IN THE SENATE OF THE UNITED STATES
Wednesday, September 27, 1961

Mr. PROXMIRE. Mr. President, the distinguished and very able Chairman of the President's Council of Economic Advisers delivered a highly significant speech before the American Life Convention in Chicago.

In the course of the speech Chairman Heller recognized our continuing unemployment dilemma, but pointed out that in spite of that "we have gained mightily since February and cut a $50 billion gap between actual and potential output by more than $10 billion."

Heller goes on to predict that another $20 billion or so of pickup in the economy and diminution of the gap can be expected in the next 6 to 9 months.

He feels that the economy may be growing fast enough to begin to solve some of the nagging unemployment problem that is unquestionably the most serious economic problem facing us.

Chairman Heller deals confidently with inflation—indicating that in the months ahead there will be little or no excessive demand pressure—or deficit pressured inflation—on prices.

He foresees some danger beginning in the last half of 1962 of a wage-cost-push inflation. He puts it this way:

> We will be approaching, but will not yet have reached, full potential operations. The American economy cannot grow at 10 percent per year forever. That pace will abate. The cyclical productivity gain will be exhausted and the slower long-run pace of productivity growth will take over. A slower rate of expansion may cause some margins to shrink. The euphoria of the recent past may cause some wages and other costs to rise. Prices may respond. The start of an inflationary creep will then be a real possibility. It is the job of all of us to avoid it.

On budget policy Heller's speech marks a sharp and extremely important departure. Heller shifts the discussion from the conventional budget which has concerned the Congress and 99 percent of the American people in previous considerations of Government policy to the income-and-product budget, that reflects all Government transactions. Heller contends that this latter-type budget will be in balance in late 1962. He is ominously silent on the balance of the conventional budget.

On this note he seems to slide off the hook on the obvious inconsistency involved in an unbalanced conventional budget in fiscal 1963 combined with an expansive—perhaps even a boom phase in the economy.

Mr. Heller does not answer the question raised by the President at his recent press conference when President Kennedy backed away from his previous budget strictly in balance position in the coming fiscal year.

The question is, When, if ever, will this administration plan to balance the conventional budget? Regardless of Mr. Heller's brilliant argument in favor of the income-and-product budget as a useful economic tool, it is the conventional budget that marks the increase in debt of our Federal Government and the basic soundness of the Government's financial position. Certainly it should be in balance during any coming boom period such as that forecast by Mr. Heller.

It is disturbing that the President's principal economic adviser adds his authoritative voice to the President's in what appears to be a program of discarding a balanced budget as a fiscal policy goal—ever.

Mr. President, in spite of, and I might say because of this policy disagreement on my part, I find the speech by Mr. Heller highly significant and ask unanimous consent that it be printed in the RECORD.

There being no objection, the speech was ordered to be printed in the RECORD, as follows:

THE ECONOMIC FUTURE AND GOVERNMENT POLICY

(Remarks of Walter W. Heller, Chairman, Council of Economic Advisers, before the American Life Convention, Edgewater Beach Hotel, Chicago, Ill.)

At the outset, let me translate the title of today's talk—which, as it stands, may seem both a bit portentous and a bit pretentious—into terms which relate more specifically to the interests of the life insurance industry.

In large part, of course, your economic fate hangs—in common with the fate of all of us—on the future course of production, income, and employment. My discussion will reflect that interest by reviewing quickly the overall outlook for the economy.

But beyond this, the life insurance industry—in its role as an outlet for savings, as a guarantor of personal economic security, and as a portfolio and direct investor on a vast scale—has an intensified interest in the course of prices. So I shall probe at some length the facts and forces that seem to govern our present position of price stability and the prospects for avoiding inflation in the face of continued recovery.

Finally, in the realm of policy, you have a direct and obvious stake in monetary and credit measures. My comments on the economic policies of the Kennedy Administration will respond to this special interest by reviewing only briefly our wage-price and budgetary policies but inspecting more closely the current role and course of monetary policy.

I. THE CURRENT ECONOMIC OUTLOOK

If I were giving this talk 8 months ago—and, believe me, sometimes it seems to me that I did—I would have described the economy and the administration as facing three difficult problems: (1) Reversing the recession, (2) avoiding another submerged peak and breaking through to reasonably full employment for the first time since early 1957, and (3) accelerating longrun economic growth.

Today the first of these problems—except for the nagging ache of a high unemployment rate—is behind us. Our young recovery has thus far been a solid one. The two-quarter increase in gross national product of about $26 billion compares favorably with other postwar revivals. We continue to see a GNP for the fourth quarter of this year in the neighborhood of $540 billion and a further healthy rise to the $565–570 billion range by the second quarter of 1962. Beyond that date—in the absence of necessary information that will be provided by the Federal budget for fiscal 1963, by plant and equipment and other surveys, and by actual developments the rest of this year—the future is much hazier. We have not yet tried, for example, to forecast when we will reach magic numbers like $600 billion or $800 billion or $1 trillion. Indeed, if we were to try, the numbers would be labeled projections, not forecasts.

The recovery of which I have spoken gives us a good running start toward the solution of our second problem, the restoration of full employment. But most of the race is yet to be run, and the homestretch is the hardest. As you know, we have only begun to shorten the shadow of unemployment.

Since December 1960, the seasonally adjusted unemployment rate has hovered around 6.8 or 6.9 percent of the civilian labor force. But by mid-1962, if our forecast is correct, the unemployment rate will have come down substantially, though not as fast and not as far as we would like. Even then, there will be room for further reduction in unemployment and further expansion of demand and output. Evidence on available industrial capacity is necessarily rough and incomplete, but it is not to be ignored. And the evidence of still-unused capacity suggests strongly that the necessary industrial might is ready and waiting to match the supply of willing hands. I am not speaking of purely statistical improvements in this number or that. I am speaking of the unmatched capacity of our economy to produce the goods and services that people want, and the incomes to buy them.

In a growing, investing, improving economy, potential output never stands still. Yet, we have gained on it mightily since February, and cut a $50 billion gap between actual and potential output by more than $10 billion. In this and the following two quarters, one may reasonably expect it to shrink by another $20 billion or so. If it does, we will have reached by mid-1962 roughly the same stage in the business cycle we reached in 1959 before the steel strike interrupted our rise. The test then will be whether we can continue the surge of recovery toward the goal of full employment.

More hangs on our success than just the solution to our second problem. Full employment without rapid growth is conceivable, but rapid growth without full employment, without pressure on capacity, is probably inconceivable in a free enterprise economy. If we are to solve the third problem I mentioned earlier and make this "a decade of development" for ourselves as well as for younger economies, we need the basic stimulus to investment and innovation that comes from high levels of activity.

The curve of potential output for the American economy has been rising since 1955 at 3½ percent per year. Once we touch that curve again we can grow along it. Or we can raise our sights and aim to grow faster—say, at the 4½-percent rate which President Kennedy has characterized as well within our capability. But restoring the economy to the 3½-percent growth curve is an essential first step.

As the President has already indicated, this administration will come forward with further policies designed to promote full

employment and an increased rate of growth. But our freedom to do so will be endangered if we fail to meet yet another test—that of reasonable price stability and underlying strength in our balance of payments.

I need not remind this audience that inflation knows no equity. Inflation is a gamble in which the dice are loaded against those with no desire or no capacity to play. We need not erect price stability into the central goal of economic policy to know that inflation is more than inequitable, that it obstructs the achievement of our other economic goals.

A committee of eminent European and American economists which recently reported to the OEEC on the problem of rising prices stated at one point: "Price stability by itself will not assure adequate research and development, technical education, increasing business and labor efficiency, a skilled and adaptable labor force, a high level of investment, active competitive conditions, progressive and vigorous business leadership, and other real factors that are responsible for economic growth."

Indeed it will not. It will take vigorous action on the part of the business community, organized labor, and the Government to secure those things. But in the modern world, if prices and wages once again begin to creep upward at too fast a pace, our balance of payments will be an early casualty. To defend the dollar we may be forced into policies of monetary and fiscal restriction even before we have reached full employment and accelerated growth. But, as history and analysis show, these classical defenses against excessive demand are blunt and unsuitable weapons when applied, short of prosperity, against cost-generated inflation. They may not work at all, and if they do work, it will be at heavy cost in terms of national product that might have been.

In recent years we have lost ground to our international competitors primarily on the productivity front. Their productivity has grown more rapidly than ours. The way to reverse this trend is clear—we need to step up our efforts in investment, in research, in training, to improve our productivity more rapidly. Now productivity is the child of expansion, not restriction. Investment in modernization and technical advance flourishes and resistance to technical change weakens in an economy whose expansion opens up new opportunities daily. The urgency of holding the price line stems from this: if we succeed, the way is open for private and public policies of expansion; if we fail, then we may be prevented in the short run from pursuing the very policies that may solve our problems in the long run. Price stability, unlike virtue, is not its own reward. But the rewards are great.

II. PRICE STABILITY: THE RECORD AND THE PROSPECT

I want to turn now to a closer examination of the problem of price behavior. I propose to review the recent course of prices, to examine the various forces which are capable of causing a renewed upward movement in prices, to assess the present and prospective strength of these forces, and to offer an appraisal of the outlook for price stability. I propose to direct my attention to wholesale prices, and particularly to wholesale industrial prices, not because these are more important to human well-being than consumer prices, but because these are the prices which relate most closely to the competitive position of the United States in the world market.

The Korea inflation had run its course by 1951. But after a short reaction, wholesale industrial prices began to rise again, gradually but steadily. From 1953 to 1959, prices of industrial goods rose by 12 percent. Over the same 6-year period, the prices of our exports of manufactured goods rose by 16 percent. While our export prices of manufactures were thus going up by one-sixth, the comparable export prices of Belgium, France, Italy, and Japan were actually declining, and German export prices rose by a mere 2 percent.

Our balance of payments worsened during this period. Manufactures were a smaller proportion of our exports and a larger proportion of our imports in 1959 than in 1953. The U.S. share in the manufactured goods exports of 10 major industrial countries fell between 1953 and 1960.

Although it is certainly going too far to say that the United States priced itself out of the world market during this period—after all, our total merchandise exports were rising significantly—it would be equally wide of the mark to deny that our price performance was an important factor in the relative deterioration of our world market position in manufactures.

Since 1959, and more particularly in the last 6 months, the story changes dramatically. Wholesale industrial prices have been better than stable since early 1959—they have actually declined slightly More significantly, perhaps, wholesale industrial prices are actually lower today than they were at the very bottom of the recession in February of this year. In fact, this has been the only one of the four postwar recoveries in which wholesale industrial prices actually declined in the first half of recovery.

In passing, let me note also that in spite of the continual upcreep in the price of services, our Consumer Price Index rose less than 1 percent in the past year and less than one-half of 1 percent in the first 6 months of recovery.

Even more reassuring was the price reaction to President Kennedy's July 25 message to the Nation on the Berlin crisis. Many people, thinking back to the speculative orgy which followed U.S. intervention in Korea in June 1950, expected a wave of hoarding, scare buying, and profiteering which would launch another inflationary spiral. But in fact, the American people reacted with prudence and calm, and industrial prices have continued to decline since July.

Does this dramatic reversal of form signify that we have managed in some mysterious manner to solve the problem of peacetime inflation? However, much we would like to think so, the answer must be in the negative. We cannot overlook the fact that the American economy has paid a high price—too high a price—for the price stability of these last 3½ years. Throughout that period, our economy was operating at levels substantially below our reasonable potential, and the level of unemployment was disturbingly high. But now we face the much more difficult problem of moving up to reasonably full utilization of our human and material productive resources and stepping up our rate of growth without precipitating renewed inflation.

What are the forces which we must master if we are to maintain price-level stability? There are, in truth, several possible causes of inflation. Let me discuss briefly the three forms of the inflationary process most frequently discussed among economists—"demand-pull" inflation, "bottleneck" inflation, and "cost-push" inflation.

Demand-pull inflation is inflation in its classic form. It appears whenever the total demand for goods and services of all kinds outstrips the capacity of the economy to produce those goods and services. We had demand-pull inflation in the years 1946–48, and again in 1950–51. The pressure of excess demand which generates this kind of inflation may come from any sector of the economy. It can come from an increase in spending by consumers, by business firms for investment purposes, or by Government.

It is a simple fallacy, but unfortunately a very common one, to maintain that this kind of inflation can arise only from deficits in the Federal budget. This is demonstrably untrue. For example, in the years 1947 and 1948, prices soared despite the fact that there was a surplus in the Government budget.

Likewise, prices have been virtually stable in 1960–61, despite a deficit in the Federal budget, just as they were in the fiscal year 1959, in the face of a much larger deficit. The explanation is obvious enough: it is total demand which determines whether severe pressure exists on capacity to produce. If consumer and business demand are depressed, even an increase in Government demand reflected in a budget deficit may not press unduly upon the economy's capacity to produce. By the same token, if consumer and business demand are unusually high, even a large surplus in the Government budget may not be sufficient to reduce aggregate demand to a noninflationary level.

Bottleneck inflation, really a subspecies of demand-pull inflation, may occur in a recovery before the economy as a whole has reached capacity operation. It may happen that some lines of production reach capacity operation while in the rest of the economy there is still considerable slack. As demand continues to increase, there may be strong pressure on the prices of the goods produced by the bottleneck industries, and these price increases may be passed on through the economic system and initiate a wave of further increases.

The third type of inflation has come to be known as cost-push or market-power or seller's inflation. This kind of inflation can occur both in prosperity and in recession, though the climate of prosperity is more conducive to inflation of any kind. Cost-push inflation is generally associated with the entrenched market power of private economic groups. Negotiated wage increases have been known to push up prices. High prices and profits have been known to attract wage increases. We need not seek for a beginning to this process, we need only seek an end. Unions have sometimes talked as though any wage increase, however large, could readily be absorbed by management without a price increase. Management, on the other hand, has sometimes talked as though every wage increase, even an increase within the limits of advances in productivity, necessitates an equivalent increase in prices. Yet, this position would logically mean that the real income of the working man could never increase.

What are our chances in the months ahead for avoiding these three forms of inflation?

The prospects for demand-pull inflation seem remote. There is certainly no evidence of excess demand in the economy at present. On the contrary, as I noted earlier, the rate of unemployment remains disturbingly high after 7 months of recovery, and there is abundant evidence of unutilized productive capacity.

Nor is there visible evidence of the existence of bottlenecks. On the contrary, excess capacity appears to be spread widely throughout the economy at present.

Finally, there is ground for cautious optimism about the prospects for avoiding cost-push inflation. Average hourly wage rates in manufacturing have increased throughout the postwar period, but for at least the past 4½ years, the increases have been successively smaller. Between 1955 and 1956, the increase was 5.6 percent; in succeeding years the increases were 5.1 percent, 4.1 percent, 3.4 percent, 3.3 percent, and (between June 1960 and June 1961) 2.7 percent.

Accompanying this modest recent rise in manufacturing wage rates was a sharp cyclical upswing in productivity.

Between February and August of this year, output per man-hour of production workers rose by 4.8 percent. The modest wage increases during the past year have combined with these productivity increases to yield unusually sharp declines in labor costs per

unit during this stage of the recovery. This state of affairs is a favorable omen for continued price stability.

III. POLICIES FOR RECOVERY WITH STABILITY

A. Wageprice policy

I have documented my conviction that the stage is now set, as it has not often been, for healthy further expansion without inflation. I have expressed my hope that the administration will not be forced to meet a threat of inflation short of full employment by monetary and fiscal restriction. Such measures can control rising prices only at the cost of throttling the recovery. Is there no other escape from this cruel dilemma?

There are two possibilities we can dismiss at once. Direct wage and price controls we abhor—on economic grounds as well as political. Vague and generalized appeals are without effect.

The President's letters to the steel companies and the Steelworkers Union were of course neither vague nor generalized. These letters constituted a reasoned and persuasive appeal for specific actions which will serve the long-run interest of the steel companies, the steelworkers, and the Nation. I do not know what effect these letters have had, but it is reassuring that the steel industry has not raised prices thus far, and that the president of the Steelworkers Union has pledged that his union will remain fully conscious of its responsibilities to the public in its wage negotiations next year.

You may be sure that the administration will remain alert to the danger of a renewal of the wage-price spiral, wherever it may arise. Through the work of the President's Labor-Management Advisory Committee as well as through other channels, we hope that there will emerge both in management and labor a deeper appreciation of the stake which every one of us has in a stable price level. Every person who wants the United States to continue to discharge its world responsibilities, and every persons who favors full recovery and a faster rate of economic growth, is tied by the bonds of logic to the cause of price stability.

The critical period may come toward the second half of 1962. By then, if our forecasts prove right, we will have experienced a 10-percent gain in output in a year of recovery. We will be approaching, but will not yet have reached, full potential operations. The American economy can not grow at 10 percent per year forever. That pace will abate. The cyclical productivity gain will be exhausted and the slower longrun pace of productivity growth will take over. A slower rate of expansion may cause some margins to shrink. The euphoria of the recent past may cause some wages and other costs to rise. Prices may respond. The start of an inflationary creep will then be a real possibility. It is the job of all of us to avoid it.

B. Budget policy

Perhaps the major way in which the Government's policies strike their blow for good or evil in the economy is through the Federal budget, through taxes and expenditures. Over the years the budget—and particularly its surplus or deficit—has become more than an economic force; it has become a symbol. And as is often the case with symbols, the content has become oversimplified in the process. I need not tell a sophisticated audience that it is folly to identify, come what may, a budget surplus with fiscal responsibility and a budget deficit with fiscal irresponsibility. In relation to both price stability and other economic goals, there are constructive deficits as well as destructive deficits.

Government dollars bear no mysterious tag that renders them more explosively inflationary than private dollars. When the economy is slack and capacity redundant, we seek for expenditures to fill the gap. Whether the added expenditures should be private or governmental—State, local, or Federal—depends on the urgency of the needs to be met. If public needs—for education, for highways, for urban renewal—are most pressing, the resources are available to meet them through Government budgets. If private needs—for food, for housing, for services, for capital goods—are most urgent, fiscal policy may serve them by tax reduction, which places additional income at the disposal of families and private business. In neither case does policy seek spending for spending's sake. And in either case, if a budget deficit results, it is, economically, a constructive deficit in the sense that its force expresses itself in higher output and higher consumption rather than higher price levels.

In the opposite situation, when demands press against capacity, a deficit would be destructive. Prudence and good management require that expenditures be pruned. The choice is between the reduction of Government expenditures and the limitation of private spending through additional taxes. The result will be a constructive budget surplus, but the object is the avoidance of inflation.

Here I hope you will forgive me a technical aside, but one that is relevant to the making and understanding of good fiscal policy. Budgeting, as you know, is in large part a matter of convention. And the budget whose balance we all eye is a conventional document. Though it serves well as an instrument of management and control of Government operations, it is subject to substantial limitations as an indicator of the Government's fiscal impact on the economy. For example, it does not reflect the operations of the trust funds—involving some $23 billion of payments in fiscal 1961—which do represent genuine income-generating transactions. Also, net loans by the Government—for housing, export-import, and other purposes—appear in it as current expenditures and net repayments as current receipts—rather than as balance-sheet changes, as they do in private accounting. With minor exceptions, it is on a cash, instead of accrual basis; for example, it reflects corporate taxes not when the liabilities accrue, but when the Government receives the cash—on the average, with a lag of about 6 months.

Let me illustrate the effect of such factors on the size and timing of reported budget surpluses and deficits. In the third quarter of 1957, our economy entered the sharpest of its four postwar recessions. The trough came in the spring of 1958. During that period, prudence called for a constructive deficit. In fact, for fiscal year 1958 the conventional budget showed a small deficit of $2.8 billion. But the picture is quite different if we look at the Federal budget in terms of the receipts and expenditures as reflected in the national income accounts. In the second half of fiscal 1958, this deficit was at the substantial annual rate of $9.6 billion. This income-and-product-account version of the budget (a) includes only those transactions which do have an income-generating effect and (b) uses an accrual rather than a cash basis of reporting. On the upswing, the reverse effect occurs: the income-and-product deficit shrinks while the conventional deficit remains large. In the fiscal year 1959, in the course of recovery, the conventional budget showed a huge deficit of $12.4 billion. The economically more faithful income-and-product account budget showed the deficit in the first half of fiscal 1959 continuing at an annual rate of $9.4 billion, but toward the end of fiscal 1959, it turned a sharp corner to virtual balance.

We are at present in a smillar situation. While we face a conventional budget deficit of something over $6 billion for the current fiscal year, our preliminary projections suggest strongly that the income-and-product budget will move into balance or even into surplus in the first half of 1962. For economic policy purposes, the conventional budget is, to be sure, a useful first approximation of Government's fiscal impact. But the income-and-product budget is a much more useful and reliable measure, one on which a major educational job is in order.

C. Monetary policy

Credit markets during the 1961 expansion show a striking contrast to the 1958 upswing. This year interest rates have moved within a very narrow range. Yields on Treasury bills continue to fluctuate between 2¼ and 2½ percent. Yields on long-term Treasury bonds have risen only three-tenths of 1 percent above their recession low.

The stability of interest rates this year is in large part the result of active Federal Reserve policy. Month after month the Fed has been keeping commercial banks well supplied with reserves. Free reserves have generally exceeded $500 million, and banks have expanded substantially their holdings of short-term U.S. Government securities. Their strong liquid position enables banks to finance business expansion either directly by loans or indirectly by taking over short-term securities previously held by business firms. Over the last year, total bank deposits and currency have risen about 6 percent, and in the last 3 months the rate of increase has been somewhat greater.

Meanwhile, Federal Reserve authorities continue to buy longer term U.S. Government securities. Since the abandonment of the "bills only" policy in February, well over $2 billion of securities of longer than 1-year maturity have been purchased on the open market. These purchases have increased bank reserves. They have also exerted direct downward pressure on long-term interest rates and have released funds to finance business investment and residential construction.

In other words, monetary conditions conducive to economy recovery and growth have been created and maintained.

At the same time, one may observe—though not in any spirit of complacency—that prices have been stable and the balance of payments has been improving. I have already discussed the outlook for price stability. As for our international position, we fully recognize that monetary techniques must be adapted to the new mobility of funds across the foreign exchanges. The importance of maintaining internationally competitive short-term rates has kept the discount rate at 3 percent and bill rates above 2¼ percent throughout the later stages of recession and recovery. This year the Fed has been, on balance, a net seller of short Treasury securities and has supplied bank reserves by acquiring longer securities. Allowing for the cost of forward exchange cover, the bill rate has remained competitive with short-term rates in other leading financial centers.

Thus, while Federal Reserve policy has helped to defend the dollar externally, it has been governed primarily by domestic economic goals. This seems to me the proper distribution of emphasis, and I have been interested to find the same view in the report of the Commission on money and credit.

Our rates of interest—especially long-term rates—cannot at all times adjust to foreign interest rates so as to prevent capital outflow altogether. Our interest rates cannot be out of line with the profitability of real investment here at home without jeopardizing our prospects for economic recovery and growth. In any case, high interest rates in the United States could not prevent large outflows of equity capital and direct investment if profit opportunities were markedly more favorable abroad.

We must face the fact that, given the development of the U.S. economy relative to the rest of the world, we probably will be,

and should be, a capital-exporting country for some time to come. We will have to be competitive enough in world markets to pay for capital exports by a surplus on current account. Our fundamental, long-term, balance of payments problem will have to be solved by means other than domestic monetary policy.

A close scanning of the economic horizon discloses no reason for expecting or for advocating a change in monetary policy and credit conditions in the near future. The statement we made in our testimony of March 6 still applies: "The economy needs the stimulus of low interest rates and greater credit availability, not merely for recovery of the ground lost in the recession but for the more difficult and important tasks of restoring full employment and promoting growth." By now we have regained the ground lost in recesison, but we are still far from full employment. The task of accelerating the longrun growth of productivity still lies ahead. Business spending to enlarge and modernize capacity is only in the early stages of expansion. It needs further stimulus and finance. Fortunately, the recovery itself is generating increased personal and corporate saving which can be, and must be, channeled into productive investment.

Interest rates are governed by secular forces as well as cyclical events. The upward trend in interest rates of the fifties—in large part the corrective consequence of the low pegged rates and the inflation of the forties—will not necessarily continue in the sixties. If—as many observers believe and all of us hope—inflationary psychology in the United States has been arrested, the premiums which expectations of longrun inflation added to interest rates in the fifties will be—indeed, will have to be—gradually shaken out of the rates.

Both the experience of the recovery to date and the outlook for the future suggest that it is wrong to expect interest rates and monetary policy to repeat past cyclical patterns. There is no immutable natural law that interest rates must rise sharply in recoveries. The course of interest rates depends upon specific economic circumstances and governmental policies. Fortunately so, for it means that we have some freedom to influence economic expansions through monetary policy.

Do not misunderstand me. We at the Council certainly do not regard monetary policy as a one-way street, to be used as an instrument of expansion but never as an instrument of restraint. On the contrary, monetary policy is too important a tool of countercyclical policy to be limited to one-way use. Few policy tools are as flexible and as speedily reversible as general monetary policy. These are characteristics we cannot afford to sacrifice. At some future date a shift to monetary restraint may well become necessary. We would wish monetary policy to be used as vigorously and actively against inflation, if and when inflation is the clear and present danger, as against recession and underproduction, when—as this year—they are the pressing problems.

D. Housing credit policy

Finally, we are particularly pleased with the decline in the cost of mortgage credit since the new administration took office in January. Of all interest rates, it is probably the interest rate on mortgages which most directly affects the largest number of families. A lower mortgage interest rate means that homeownership is now a possibility for some families previously unable to afford their own homes, and it also means that others can now buy better homes for the same monthly outlay.

The policies adopted by the new administration in the housing credit field have been among the forces which have produced this decline in the cost of mortgage money. Particular mention should be made of increased purchases of mortgages in the secondary market by the Federal National Mortgage Association, the reduction in the maximum allowable rate on FHA mortgages from 5¾ percent to 5¼ percent, and the measures taken by the Federal Home Loan Bank Board to encourage rate reduction by saving and loan associations.

We are well aware that the May 29 reduction in the FHA ceiling rate from 5½ to 5¼ percent was not greeted with unanimous approval by mortgage lenders. The decision to reduce the FHA ceiling to 5¼ percent was taken only after a most careful appraisal of the outlook for the behavior of the general money market, as well as the outlook for the supply and demand of mortgage funds. While events since May 29 have not confirmed our expectations in every respect, they nevertheless offer more comfort than disappointment. Both FHA applications and FHA home starts were higher in August than they were when the new rate was instituted on May 29. Perhaps even more significant is the fact that FHA starts in August constituted more than 20 percent of estimated total nonfarm private starts for the first time since January, up from lows of 17 percent in June and July. All reports indicate continued ready availability of mortgage funds under the FHA program.

In short, the available evidence suggests that the present 5¼-percent-rate maximum is not inhibiting home construction and financing or preventing FHA programs from performing their important functions in the Nation's economic progress. Moreover, although the situation is under continuing review, our appraisal of trends to date in various sectors of the money market has yielded no findings which would seem to signal an early change in housing credit policy.

IV. CONCLUSION

This has been a long speech because these are big problems. There are no simple answers. Too often popular economics is one-dimensional economics: we are told how to solve the balance-of-payments problem, or how to achieve full employment, or how to avoid inflation. It is all very simple—what is forgotten is that an all-out solution on one front may spell an all-out disaster on another. Economic policy has multiple objectives, is bound by many constraints, and must comprehend complex relationships. I am suspicious of books entitled "Economics Made Easy," for, too often, economics made easy is economics made empty.

Press Accounts of the 26th Annual Convention of the Italian-American Veterans of the United States

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EXTENSION OF REMARKS

OF

HON. SAMUEL S. STRATTON

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 27, 1961

Mr. STRATTON. Mr. Speaker, under leave to extend my remarks, I enclose two press accounts of activities accompanying the 26th Annual Convention of the Italian-American Veterans of the United States.

One article appeared in the Utica Daily Press for August 17, 1961, the other in the Utica Observer Dispatch for the same date.

The articles follow:

[From the Utica Daily Press, Aug. 17, 1961]

GOVERNORS TO ATTEND CONVENTION IN UTICA

The Governors of New York and Massachusetts will attend the 26th Annual National Convention of the Italian-American War Veterans of the United States here next week.

John F. Nave, Syracuse, general convention chairman, said last night that Gov. Nelson Rockefeller and Gov. John A. Volpe would speak at the convention expected to attract approximately 1,000 delegates.

Other speakers will include Representative SAMUEL S. STRATTON, of Schenectady, who has been mentioned in some circles as a possible Democratic candidate for governor in 1962.

Assemblymen from New York State, New Jersey, and Pennsylvania also will participate.

The convention will open Thursday and continue through Sunday.

August 25, has been designated National Commander's Night. Governor Rockefeller will be the speaker. Nave said Governor Volpe also will participate in the Friday night dinner-meeting.

The Massachusetts Governor will be the speaker Saturday evening sharing the spotlight with Representative STRATTON.

The toastmaster Saturday night will be Dr. Edward Re, chairman of the U.S. Foreign Claims Settlement Commission.

Governor Volpe will be accompanied by his chief military aid, Gen. Joseph T. Regan.

Governor Rockefeller will be accompanied by Frank Volto, New York State Director of Veteran's Affairs.

Representative ALEXANDER PIRNIE, of this congressional district, local State senators, and assemblymen and city officials also will speak during the convention.

Nave said the evening convention meetings to be addressed by prominent State and National officials will be open to the public. Reservations can be made by contacting Frank Corriale, deputy cochairman.

Volpe will be honorary parade marshal Sunday, August 27. Paul Carbone, Boston, national chaplain of the Italian-American War Veterans of the United States, will give the oration at Chancellor Park prior to a mass at St. Mary of Mount Carmel Church.

The Rt. Rev. Msgr. John Positano, of East Vineland, N.J., national honorary chaplain, will celebrate the mass.

The parade will move at 9 Sunday and end at the St. Mary of Mount Carmel Church.

Vincent LoParco, a native Utican, and national commander of the Italian-American War Veterans, will preside at the convention. Angelina Tenuto, Chester, Pa., is the national president of the auxiliary.

Convention headquarters will be in Hotel Utica.

Convention officials said last night delegates will start arriving in Utica Wednesday.

[From the Utica Observer Dispatch, Aug. 27, 1961]

NO COMPROMISE IN BERLIN, VOLPE, STRATTON TELL VETS

(By David Beatty)

Gov. John A. Volpe, of Massachusetts, last night singled out three important "if's" in his speech before the Italian-American War Veterans national convention here.

"If Berlin was worth fighting for a dozen years ago, it is worth fighting for today.

"If we back down on Berlin, we will be forced to back down all over the free world.

"If you want peace," he said, "prepare for war."

His viewpoint on Berlin was backed by Congressman SAMUEL S. STRATTON, Demo-

crat, of Schenectady, who also addressed the 600 veterans and their wives at a banquet in the main ballroom, Hotel Utica.

"In sealing off East Berlin, the Russians broke a solemn agreement without consulting us," the Congressman said. "Now they are going to try to do the same thing on the Berlin air corridors. But we aren't going to let them."

Both speakers stressed that no Berlin compromise can be made with the Russians.

Governor Volpe said, "We must do whatever is necessary with speed and dispatch to bolster our Armed Forces, increase our bomber production, rehabilitate and modernize our Navy's ships—80 percent of which were built during or before World War II.

"Though all the world fears war, Russia has a greater reason to fear it than anyone else. Between the Soivets and the West, lie 100 million captive Europeans. Their hatred of Red domination is so great that should Russia turn her guns and her face away from them to fight the West, they would set upon her from the rear and help destroy her," he said.

"At Yalta and Potsdam, Stalin promised that the East Germans could make their own self-determination in free elections. Khrushchev repeated this promise in Geneva in 1955. The Soviets should honor that promise today at a time when they say they want to get out of Berlin."

The West should abide by the results of a free election, the Governor said, and to insure its freedom, the election should be conducted under the United Nations supervision.

Representative STRATTON posed the Berlin problem in these words:

"The blunt truth is that from here out we Americans must be prepared either to fight to defend our rights or else surrender to Russian pressure and brand ourselves for all the world to see as a paper tiger."

Cyrus Eaton: A Very Powerful Man

EXTENSION OF REMARKS
OF
HON. THOMAS J. DODD
OF CONNECTICUT
IN THE SENATE OF THE UNITED STATES
Wednesday, September 27, 1961

Mr. DODD. Mr. President, on May 19 of last year, I presented a brief exposé of the career of Cyrus Eaton, the Canadian-born industrial tycoon who has made himself an apologist for Khrushchev and the Soviet Union.

At the time, as I recall, there were a few critical comments by commentators who were unaware of all the facts. No one really defended Cyrus Eaton. But they argued that Cyrus Eaton was an eccentric old man, that he was harmless, or that he could never do as much harm as could be done by making Cyrus Eaton a big issue.

I believe the theory that Eaton is really a harmless eccentric old man or a "dupe" has been demolished for all time by a series of articles which the distinguished commentator, Henry J. Taylor, recently wrote for the United Feature Syndicate.

It is nonsense to talk of Eaton as a "dupe"—

Said Mr. Taylor—

and his friends in Cleveland and elsewhere should stop this in a hurry * * *. Eaton's operations are * * * continuous and relentless and bear on our battle to shield ourselves and the free world from the known menaces of the U.S.S.R. and Communist imperialism.

He [Eaton] can give such support to the Soviets while the flame of peril lick at our feet only because other citizens protect his liberty by providing a nation where heroes have died, and are willing to die again, to preserve it. Such performers could not survive 1 minute like this in the totalitarianism they compliment or under the tyrant they acclaim.

Some personal standards remain in this free land, however—

Mr. Taylor concluded—

including the liberty to resent the presence in our country of any man who flies all the way to Paris to congratulate Khrushchev when he slapped the face of the United States, and that I saw Eaton do. In his way, is this powerful man, Cyrus Eaton, aiding the Soviet any less than it was aided in a different way by Alger Hiss?

Mr. President, I ask unanimous consent to insert in the Appendix of the RECORD the complete text of the four articles on Cyrus Eaton, written by Henry J. Taylor for the United Features Syndicate.

There being no objection, the articles was ordered to be printed in the RECORD, as follows:

[From the Washington Daily News, August 21, 1961]

WHAT GOES ON HERE?

(By Henry J. Taylor)

Cyrus S. Eaton, the very rich crony of the U.S.S.R., continues to play a thoroughly damaging part in the life of our country. Technically, we are not at war. But if he is not giving aid and comfort to Russia, by what conceivable grave definition can that grave phrase be used?

Our national peril is officially declared. We arm, draft our men, serve notice we will fight for survival. Yet Mr. Eaton finds occasion after occasion to show his support of the Kremlin and display to the world dramatic approval of Soviet activities and of Khrushchev personally.

This is the man I saw rush up to Khrushchev at Orly Field in Paris to wring his hand in congratulations after the Red leader had insulted our President, our Nation and all Americans so violently a few hours before. In fact, Mr. Eaton flew all the way from Cleveland, he said, to do it. May I ask what we would have done if any American had done all this for Hitler?

Khrushchev pounded on the world with his shoe at the United Nations in New York and threatened annihiliation of the free world by Red rockets. Mr. Eaton promptly gave him and his iron-fisted entourage a banquet, and a eulogy, at the Waldorf-Astoria. He described Khrushchev's completely phony disarmament plan as the "most statesmanlike utterance in my lifetime."

And now Mr. Eaton could hardly wait for Cosmonaut Yuri Gagarin to reach Cuba on his propaganda tour before inviting him and other accompanying Russians to ply that trade up north; Alan Shepard and Virgil Grissom at the same time so properly declining Mr. Eaton's invitation to help the Cleveland tycoon give this Red charade an added push.

What goes on here?

This is the man the Kremlin gave perhaps the greatest badge of dishonor an American can receive—the insidious Lenin Peace Prize. It was after the Soviet butchery of Hungary. Yet Mr. Eaton announced in Moscow, "I am deeply appreciative of this high honor."

Others point to Henry Ford, Sr.'s lapse into the foolishness of his peace ship in World War I. But Mr. Ford's fantasy was whimsy as pure as driven snow and a single sad tour into dreamland. Mr. Eaton's operations are completely different in character and objective, are continuous and relentless and bear on our battle to shield ourselves and the free world from the known menaces of the U.S.S.R. and Communist imperialism.

Khrushchev has cited Mr. Eaton's realism in an official report to the Supreme Soviet Council. Mr. Eaton is repeatedly quoted in Pravda, Izvestia, Current Digest, the New Times (distributed throughout the Communist world in nine languages) Kommunist, the political organ of the Soviet Party, and Red radio outlets which bounce his words off the raw iron girders of the Soviet police state.

In an article Mr. Eaton wrote for the Moscow magazine, the Progressive, he asserts that tension between the United States and Soviet Russia and the threat of nuclear war are primarily America's fault.

He states that America is obsessed by war. "I am firmly convinced the Russians want peace," he says. He insists we have not met the U.S.S.R. half way. He writes of America's swollen pride, boasting, arrogance, truculence, and says "someone will take up the challenge." He disparages the forces indispensable to our security and the free world and heaps contempt on our global battle to check the totalitarian forces he champions. He lavishes praise on Sino-Soviet actions, global performances, programs and purposes. "Let's stop baiting Russia," he says.

[From the Washington Daily News, Aug. 23, 1961]

A VERY POWERFUL MAN

(By Henry J. Taylor)

High Communist functionaries are welcome in Cyrus S. Eaton's Cleveland home and at his cooked-up Pugwash, Nova Scotia, summer conferences.

It was from this idyllic island retreat with Mr. Eaton and the Soviet Ambassador to Canada, A. A. Aroutunian, that Cosmonaut Yuri Gagarin on August 7 sent a message to Maj. Gherman Titov in orbit aboard the Vostok II and then enplaned for Moscow to join his fellow spacemen, leaving some 14 other Russians still in Mr. Eaton's care.

In this way Mr. Eaton plays both sides of the border. Soviet Ambassador to the United States Mikhail A. Menshikov, in turn, made Mr. Eaton's Cleveland house his base of operations during 1958 forays around northern Ohio, to the bitter dismay of the 15,000 or so Lithuanian-Americans thereabouts who continually seek to expose Kremlin domination of their homeland through their American-Lithuanian Council.

This very rich crony of the U.S.S.R. was given in the Kremlin by Khrushchev himself the insidious Lenin Peace Prize, first known as the Stalin Peace Prize until Khrushchev changed its name. But Mr. Eaton is, and remains, no "dupe."

He is a very powerful man.

Born in Nova Scotia in 1883, he moved here in 1900 and became a naturalized citizen in 1913. He is a director of numerous large utilities, a giant steel company, many industrial enterprises, and a great railroad; he is head of an important Cleveland-New York investment firm; and has served as a trustee of Denison University, Case Institute of Technology, and the University of Chicago.

Nor does Mr. Eaton apparently forget his businesses when he visits the Kremlin. The Chicago Council of Soviet-American Friendship's bulletin, for whatever its influence reports on Eaton discussion with Khrushchev, in part:

"So far as I am concerned, the companies I am associated with are prepared to do

business with Russia and, as soon as we can do it without going to jail, with the People's Republic of China."

And Representative WILLIAM E. HESS of Ohio points out in the CONGRESSIONAL RECORD of April 10, 1959, that one of the companies Mr. Eaton is associated with did sell $3 million worth of cold rolled steel to the Soviet Government.

It would be outrageous, however, for Mr. Eaton to speak as if all these great American enterprises in which he is associated were under his thumb and would do his bidding, for this is simply not true, although his bidding itself is mighty clear.

But Mr. Eaton goes on, as reported:

"The great mistake we make in the United States is believing the Soviet regime is something terrible * * * Mr. Khrushchev is popular in the United States. He has many characteristics the Americans like * * * Hitler in his prime and through the Gestapo had no such spying organizations as we have in the United States."

What steps have been taken about Cyrus S. Eaton? There is still so much more to say that it must go into another article soon.

[From the Washington Daily News, Aug. 25, 1961]

IT ISN'T JUST CYRUS

(By Henry J. Taylor)

Cleveland Tycoon Cyrus S. Eaton, the very rich and powerful crony of the U.S.S.R., who plays a thoroughly damaging part in the life of our country, violates no statute, although Senator THOMAS J. DODD, of Connecticut, raised the question in the Senate whether he is not afoul of the Logan Act.

The act prohibits unauthorized negotiations or intercourse with a foreign power, punishable by a fine or a prison sentence. (CONGRESSIONAL RECORD, May 19, 1960, pp. 9888–9889.)

He directed the attention of the Attorney General of the United States to what Mr. Eaton has done and is doing. Mr. Eaton was born in Canada, where he still maintains a residence, moved to this country in 1900 and later became a naturalized citizen. It was through the Canadian door that Senator DODD reached the Logan Act question, as follows:

"He has publicly urged Canada 'to completely disassociate itself from America's stubborn attitude in foreign affairs.' If Mr. Eaton said in his many private conversations with Canadian officials what he said in public, then he has violated the Logan Act and should be prosecuted."

Supplying some background as well, Senator DODD continued:

"Mr. Eaton claims 'American politicians in general are relentlessly driving us to war, that American officials do not represent the American people whereas in the Soviet Union the Government speaks for all the people.'

"He says Russia doesn't really mean to communize the world, that 'Dr. Zhivago' was suppressed (there) because Soviet youth cannot bear any criticisms of their beloved Government; that the Russian massacre of Hungarian patriots was no different from our sending troops to Lebanon, etc."

Prior to this, at his own request, Mr. Eaton appeared (June 1958) before a House subcommittee which investigates pro-Soviet apples in our barrel, Hollywood pro-Reds and some pitiable people as well whose disloyalty, long since abandoned, was an error in youth. The chairman, Representative FRANCIS E. WALTER, Democrat, of Pennsylvania, afterward issued the following statement, in part:

"It is believed that no useful purpose can be served by permitting Mr. Eaton to repeat the groundless accusations that Iron Curtain countries have used for propaganda purposes."

Some of Mr. Eaton's Cleveland friends say, "Oh, all this is just Cyrus, you know." Well, I do know, and it is not "just Cyrus" at all. He can give such support to the Soviet while the flames of peril lick at our feet only because other citizens protect his liberty by providing a nation where heroes have died, and are willing to die again, to preserve it. Such performers could not survive 1 minute like this in the totalitarianism they compliment or under the tyrant they acclaim.

It can well be that communism at any time will put the feet of the world in marching boots. If this powerful man does not know that Soviet imperialism is based on a pattern of bloodshed, barbarism, suppression and slavery he knows nothing.

Some personal standards remain in this free land, including the liberty to resent the presence in our country of any man who flies all the way to Paris to congratulate Khrushchev when he slapped the face of the United States.

[From United Feature Syndicate, Inc.]

CYRUS S. EATON

(By Henry J. Taylor)

Cyrus S. Eaton, the rich and very powerful crony of the U.S.S.R., is at it again—but this time he sings the Soviet song as chairman of the board of the Chesapeake & Ohio Railway.

Writing in that capacity he invaded the Letters-to-the-Editor column of the Washington Star and other newspapers around the country. His statement is gratuitous, for President Kennedy's nationally acclaimed United Nations speech with which it deals says not one word about railroads and is the proverbial million miles from the provinces of railroad management.

Mr. Eaton's statement declares the speech "provocative." It declares, in part, that the President "left no question that we would employ force, and even drop the dreaded bomb, if we failed to get our way completely in Laos and Berlin," and concludes that "the Soviets and Chinese must recognize the President's words as a challenge and a threat."

No one need be told that this outrageous reversal of who is threatening whom is exactly the Communist line and lie throughout the world, told by Khrushchev and here by Eaton alike. And anyone familiar with the powerful tycoon's constant declarations and actions supporting Kremlin objectives and condemning America's will recognize this current pitch as typical.

Khrushchev's diabolic stategy of world terrorism by H-bomb threats is clear, documented and famous. If Cyrus Eaton wants to twist this truth to blame America he should move himself and the money he made here to Moscow.

But by what authority can Eaton identify a giant, publicly owned American corporation with all this?

Business standards require the board of directors or the shareowners to treat with the long-overdue question of this man as such an enterprise's spokesman on public affairs. Khrushchev claims there is wide American industrialist support behind Eaton. Eaton furthered this impression by trotting out 150 businessmen to a spectacular lunch he gave (Biltmore Hotel, New York) honoring Khrushchev after his U.N. shoe-pounding tirade against America. In today's peril no public corporation has a right to let Eaton create the slightest misunderstanding as to where it stands.

This has nothing to do with freedom of speech; it has everything to do with corporate propriety. Eaton does not own the C. & O. He's merely employed by it. He's one of the hired help, like anybody else, and just as subject to be fired as anybody else. And if Khrushchev thinks Eaton's setup in the front office typifies big business, Eaton has him as conned as the man who bought the Brooklyn Bridge.

The corporation's latest proxy statement (March 21, 1961), filed with the Security and Exchange Commission, shows 8,204,274 common shares outstanding and total assets of more than a billion dollars ($1,065,922,911). Eaton owns about one-seventy-ninth of the business; about 1¼ percent. By latest count 92,482 individuals and institutions own the other 98¾ percent. Yet the board of directors consists of only 10 men, one of the smallest for any giant business in the country. And Eaton has on it himself, his son and his son-in-law, a Cleveland physician, as 3 of the 10. By this absolutely untypical formula a tiny but brainy minority can swing the only real authority that is swung, and back it up by a billion dollars of other people's assets in which their roots are really no deeper than a postage stamp on a haystack.

Top authority in large public corporations is necessarily more statutory than representative of the ownership as a whole. That's why the executiveship is a public trust. It is also why captialism gets such a terribly unfair black eye if a close-knit few ever make the corporate body their personal vehicle for anything. For they can run with the ball as if they owned the entire vast enterprise unless somebody blows the whistle.

If the directors fail in their public capacity, the stockholders owe it to themselves, the 24,500 employees, the users of this public utility and to our imperiled Nation as a whole to blow the whistle on Cyrus S. Eaton—and blow it loud enough for Khrushchev to hear. The Kremlin tyrant misunderstands far to much about America and capitalism already.

Duplicity

EXTENSION OF REMARKS

OF

HON. STEVEN B. DEROUNIAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 27, 1961

Mr. DEROUNIAN. Mr. Speaker, the following article by Donald Rogers in a recent issue of the New York Herald Tribune exposes the duplicity of the Kennedy administration—another example of saying one thing and doing another:

SCHIZO-FRANTIC ROUTE

(By Donald I. Rogers)

If you can pause long enough in the task of building your fallout shelter, it may be worthwhile now to take the time to reappraise what's going on, where we're headed and what a businessman might expect of the administration.

The characteristics that emerge from the Washington murk could include: Timidity. Lack of confidence. Ambivalence. Absence of clear purpose.

Foreigners who would be our friends view with fear the spectacle of a people trying to stiffen the spine of a President who's supposed to lead them. If it is confusing to those who dwell abroad, it's perhaps more confusing to Americans who must do business abroad.

It shouldn't be, though, for those same qualities are the dominant ones on the domestic scene.

Quick, now. Can you answer within 5 seconds whether this is a free enterprise administration or a Socialist one?

Ah, yes, the President praises free enterprise. He says nice words. But there are others who work for him who also make utterances and advance programs, with no reproach from on high.

Let's see, now, there's Mr. Udall and Mr. Swidler, pushing hard for a totally unnecessary public-power network to stretch from coast to coast. These are Kennedy men. Are they advocating free enterprise?

Commerce Secretary Luther Hodges tells everyone to sell hard, for it'll bring prosperity.

By golly, there's a free-enterpriser, right in the fold.

Sell, he says. That makes sense. Do you know the biggest selling force in America today? It's advertising, and—whoops, the Federal Trade Commission, Galbraith, Schlesinger & Associates have attacked the very concept of advertising.

Then, of course, on this same subject of selling Attorney General Robert Kennedy has come out and simply told people they'll have to do without so many things.

Oh, well, that's just a bit of confusion, perhaps, and maybe they'll straighten it out.

The administration says its No. 1 domestic objective is full employment. Fine, fine.

The administration admits, and the President has stated, that the tax system is a chief deterrent to expansion that would bring fuller (if not full) employment. Fine; good perception.

The administration, however, is talking of tax increases for next year. Huh? How's that again?

Yes, but there are other things. Morals, for instance, and ethics. The whole soiled business world must be cleaned up, this administration tells us. Bobby Kennedy has demanded codes of ethics for the conduct of the filthy game of turning a profit. Moreover, he has made allegations of almost universal price fixing, a dastardly practice, indeed.

The Justice Department's Antitrust Division has accused a company of having prices higher than its competitor's; another because its prices were lower than its competitor's; another because its prices were the same as its competitor's, and still another because the competitor complained its prices were so low it could not compete.

You'll never get this column to come out against high morals in business. It's best we don't say anything about the necessary support the administration got from those highly "moral" political machines in Chicago, New York, Philadelphia, and so forth. Aw, but there we go again.

The multibillion-dollar balance-of-payments problem that furrows the brows of many thoughtful economists has been tackled by the administration, and we now have specific rules about how much perfume a tourist can bring from Grasse.

The administration has also tackled inflation. A letter has been sent asking that the price of a single product—steel—be held in line. Meanwhile, food prices are being raised by Government action and inflation is being stimulated by more Government deficits.

Unemployment is bad, says the administration. But it raised the cost of employment by boosting the minimum wage, which tends to roll back employment. Know what that causes? Unemployment, that's what.

Sacrifice for defense, says the President. Betimes, don't you dare criticize the splurging on domestic programs. Pay for 'em whether you want them or not.

Enough of this. Taking stock and reappraising isn't much fun after all.

Time Magazine Recalls Noble Record and Spirit of Wisconsin's Red Arrow Division

EXTENSION OF REMARKS
OF
HON. WILLIAM PROXMIRE
OF WISCONSIN
IN THE SENATE OF THE UNITED STATES
Wednesday, September 27, 1961

Mr. PROXMIRE. Mr. President, Wisconsin's famed Red Arrow Division is once again among the first in the Nation to be called to active duty in a period of national crisis. To make clear the firmness of our national resolve to defend Berlin, and with that symbolic city the integrity of the Western Alliance, the President has turned to the 32d Infantry Division of the Wisconsin National Guard, whose record in a century of service to our Nation can hardly be surpassed.

In the lead article of a cover story on the military callup Time magazine documents our Nation's willingness to sacrifice and fight to resist Communist expansion and to preserve freedom, by reporting on the attitude of the Red Arrow Division.

Time recalls:

In World War II the Red Arrow Division fought its way from Buna to Saidor to Hollandia to Aitape to Luzon in 654 combat days—more than any other combat group in the Nation's history. Along the way its men won 11 Congressional Medals of Honor, 49 Legions of Merit, 153 Distinguished Service Crosses.

Time notes the serious hardships and personal inconvenience that the present callup is causing the Wisconsin division. More than 10,000 families in over 100 Wisconsin towns and cities will feel the pinch. But the resolution and spirit of the Red Arrow Division are summed up by the division chaplain, Rev. William B. Downey, who says:

There are values more important than peace. Freedom and justice for example. I'm prepared to sacrifice peace for them.

As Time concludes:

Those were words that freemen everywhere could stand by.

I ask unanimous consent that the Time article be printed in the Appendix of the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

THERE ARE VALUES

In Washington, President John Kennedy and Soviet Foreign Minister Andrei Gromyko discussed East-West tensions for 2 hours. They settled nothing, but top-level talks between the United States and the U.S.S.R. would continue, and the Berlin crisis seemed to be easing slightly.

In confronting the crisis, it is vital that the United States convince the Communist leaders that the Nation is willing to fight and its citizens are ready to sacrifice. Last week, across the United States, 82,000 reservists and National Guardsmen prepared to answer a call to active duty. Among them were 10,000 officers and enlisted men from 72 Wisconsin communities. They were members of the National Guard's famed 32d Division—and there could be no doubting their spirit.

RED ARROW TATTOO

The 32d is a crack outfit. It earned its shoulder patch, a red arrow piercing a battleline, in the Meuse-Argonne during World War I. Its first casualties were suffered when the troopship *Tuscania* was sunk by a German submarine. In World War II the Red Arrow Division fought its way from Buna to Saidor to Hollandia to Aitape to Luzon in 654 combat days—more than any other Army unit in the Nation's history. Along the way its men won 11 Congressional Medals of Honor, 49 Legions of Merit, 153 Distinguished Service Crosses. In these two wars, the 32d suffered 20,500 casualties.

When the 32d returned to Wisconsin after 4 years of World War II, the town of Marshfield (population, 14,153) had suffered so many casualties (20 dead out of an infantry company of 122 men) that it refused to have another National Guard unit located there. Recalls Mrs. Clare Ecke, whose husband fought with the Red Arrow Division: "I remember one blue Monday when the Marshfield News Herald had nine killed-in-action pictures spread across the front page. That's a lot for a town like this to take." But Marshfield changed its mind, and now its men are returning to duty. One is Harry Donald Steinmetz, 43, who retired as a master sergeant in 1959 after 20 years with the 32d. Says Steinmetz, who has rejoined the 32d: "I feel like I have the Red Arrow tattooed on my shoulder. I'd hate to see the boys leave without me."

The impact of the 32d's return to duty will be felt in every Wisconsin city and town. The far north town of Superior (population 33,563) is losing a high school principal, superintendent of student teaching, basketball coach and 55 students at Wisconsin State College. Medford (population 1,622) is sending its mayor, its city attorney, and three teachers. Rib Lake (population 794) is losing its only physician, Dr. Robert Pettera. Says Pettera: "I knew when I signed up that I had to be ready for something like this."

KIDS GET HUNGRY

Inevitably, the call-up worked personal hardships. In the town of Stettin (population 4,141), Capt. Raymond Ott canceled plans for expanding his milk franchise: "I'll just have to teach my wife Rosemary how to keep the business going until we get back. But this is what we signed up for—to take care of emergencies. It looks like we got an emergency."

Said Wausau Salesman Robert Melang: "The main thing my wife fears is loneliness, especially at night after she's put the children to bed. Except for her and the kids, I don't mind going. We've had good training—we've got a real good outfit." Says Antigo's Capt. Norman Martell, the father of eight: "Sure, it's rough on all of us, but that's what we're here for. I've been building myself up a little insurance business for the last 6 years. Now I'm having to make arrangements to have part of my accrued savings paid out to me while I'm in service. Eight kids can get kind of hungry."

In Tomahawk, Lt. Michael Redmond got his orders just 3 days after he was married. Says he: "That's just the way it is. It looks as if we're going to have to teach the Russians a lesson." Four of the five men at Dar's service station are leaving, including Owner Darwin Hilgendorf. Just last month, Norman Osero had opened Norm's Stereo and TV Shop. Last week he had a new sign out: "Clearance Sale."

VALUES MORE IMPORTANT

Thus, despite the hardships it work on them, the men of the Red Arrow Division return to duty with resolution and high spirit. That resolution and spirit were expressed by a division's chaplain, Rev. William B. Downey, as he put on his major's uniform: "There are values more important than peace. Freedom and justice, for example. I'm prepared to sacrifice peace for them." Those were words that free men everywhere could stand by.

Frondizi Administration Praised by Dr. Thorning

EXTENSION OF REMARKS
OF
HON. CHARLES McC. MATHIAS, JR.
OF MARYLAND
IN THE HOUSE OF REPRESENTATIVES
Wednesday, September 27, 1961

Mr. MATHIAS. Mr. Speaker, under leave to extend my remarks in the CONGRESSIONAL RECORD, I would like to include the synopsis of a lecture delivered before the faculty and student body of the Visitation Academy for Young Ladies, Frederick, Md. The speech was given by my friend, the Reverend Father Joseph F. Thorning, Ph. D., D.D., pastor of St. Joseph's Church, Carrollton Manor, Frederick County, Md. Dr. Thorning, who is also associate editor of World Affairs, Washington, D.C., and professor of Latin American history, Marymount College, Arlington, Va., has served our country in South and Central America. He is the only living U.S. honorary fellow of the Historical and Geographic Institute of Brazil. He has visited Argentina frequently and knows the people and officials of that great Republic. His praise for the administration of President Arturo Frondizi, of Argentina, is deeply encouraging to all who place their faith in human freedom, genuine social progress, and life's eternal values. The synopsis reads as follows:

FRONDIZI ADMINISTRATION PRAISED BY DR. THORNING

Delivering his first lecture in a series at Visitation Academy here, Rev. Dr. Joseph F. Thorning, associate editor of World Affairs, praised the administration of President Arturo Frondizi in Argentina for "trying to live within its income without grandiose schemes for government monopolies which simply attract hordes of hungry officeholders and bureaucrats."

The Maryland educator, author and diplomat added:

"In recent years, Argentina faced huge reconstruction problems because the national patrimony, to no small extent, wasted by Peronista politicians without any corresponding increase in national production. Today President Frondizi is showing a good example of economy in government and giving every possible encouragement to those citizens, Argentines or foreigners, who believe in the system of private property. Slowly and systematically, the nation is finding new markets for meat, grain, hides, and wool. At the same time, the annual deficit, due to heavy petroleum imports, is being reduced. This has been done by private enterprise. One result is that, by the end of this year, it may be that Argentina will come close to providing its own gasoline, lubricating oil, and natural gas.

"Success along these lines means that the Argentine people will enjoy the benefits of a stable currency. Citizens who live on pensions or on the income derived from insurance policies are being treated fairly. A definite check has been given to inflation. Workers are encouraged to put money in the banks. Thrift and economy have been restored to a position of honor in the community. This can be a cornerstone of social progress: better housing, improved health standards, and advances in education.

"It is important to note that La Prensa, one of the Western Hemisphere's best newspapers, is urging Argentina to uphold freedom and decency against the Castro brothers, Fidel and Raul. The great organ of public opinion in Buenos Aires declares that 'every American Republic should follow the lead of democratic Costa Rica and work for the liberation of the Cuban people.' While Oswaldo Dorticos, the Castro puppet-President is the guest of Mao Tse-tung, Soviet Gauleiter of China, all Americans can understand the vital importance of community action against aggressors." Rev. Mother Mary de Chantal and Sister Claire Joseph, directress of studies, presided at the meeting here.

The Credo That Inspired Dag Hammarskjold To Give His Life for Civilization Can Inspire Us To Carry On

EXTENSION OF REMARKS
OF
HON. ESTES KEFAUVER
OF TENNESSEE
IN THE SENATE OF THE UNITED STATES
Wednesday, September 27, 1961

Mr. KEFAUVER. Mr. President, the late Dag Hammarskjold lived by a faith that demanded selfless service and a deep concept of the brotherhood of man. He died, as we know, in execution of that faith.

The distinguished editor of the Memphis Press-Scimitar and also a man of singularly strong faith, Mr. Edward J. Meeman, recently dug back in the files to find the credo of Dag Hammarskjold. Mr. Meeman thought so highly of it that he published it in the Press-Scimitar on September 20. I believe it should be read even more widely, and, accordingly, I ask unanimous consent that Mr. Meeman's column containing the Hammarskjold credo appear in the Appendix of the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

THE CREDO THAT INSPIRED DAG HAMMARSKJOLD TO GIVE HIS LIFE FOR CIVILIZATION CAN INSPIRE US TO CARRY ON

(By Edward J. Meeman, editor, Memphis Press-Scimitar)

Dag Hammarskjold died at the front.

He died at the front of mankind's advance. There may be questions as to the wisdom of his strategy of the moment.

There can be no question of the wisdom of his long-range purpose and the importance of what he was doing to carry it out.

It was to enforce peace, long a dream of humanity, now the requisite for survival.

The measure of his rightness and his greatness was the wrath and the intent of the enemy of mankind to destroy him, which his determined course brought down on his head.

He was winning a magnificent victory where many thought success impossible. He was saving the newly won independent Congo from being dominated by Communist imperialism.

What was the credo which animated this man, which led him to dedicate his life, his mind, his spirit, his emotions, his patience, and at last to take the risk that demanded his heart's blood?

Dag Hammarskjold told us when in 1953 he was asked by Edward R. Murrow to state his faith over CBS, "This," he said, "I believe:

"The world in which I grew up was dominated by principles and ideals of a time far from ours, and, as it may seem, far removed from the problems facing a man in the middle of the 20th century. However, my way has not meant a departure from those ideals. On the contrary, I have been led to an understanding of their validity also for our world of today. Thus, a never abandoned effort frankly and squarely to build up a personal belief in the light of experience and honest thinking has led me in a circle; I now recognize and endorse, unreservedly, those very beliefs which once were handed down to me.

"From generations of soldiers and government officials on my father's side, I inherited a belief that no life was more satisfactory than one of selfless service to your country—or humanity. This service required a sacrifice of all personal interests, but likewise the courage to stand up unflinchingly for your convictions.

"From scholars and clergymen on my mother's side, I inherited a belief that, in the very radical sense of the gospels, all men were equal as children of God, and should be met and treated by us as our masters in God.

"Faith is a state of mind and the soul. In this sense we can understand the words of the Spanish mystic, St. John of the Cross: 'Faith is the union of God with the soul.' The language of religion is a set of formulas which register a basic spiritual experience. It must not be regarded as describing in terms to be defined by philosophy, the reality of which is accessible to our senses and which we can analyze with the tools of logic. I was late in understanding what this meant. When I finally reached that point, the beliefs in which I was once brought up and which, in fact, had given my life direction even while my intellect still challenged their validity, were recognized by me as mine in their own right and by my free choice. I feel that I can endorse those convictions without any compromise with the demands of that intellectual honesty which is the very key to maturity of mind.

"The two ideals which dominated my childhood world met me fully harmonized and adjusted to the demands of our world of today in the ethics of Albert Schweitzer, where the ideal of service is supported by and supports the basic attitudes to man set forth in the Gospels. In his work I also found a key for modern man to the world of the Gospels.

"But the explanation of how man should live a life of active social service in full harmony with himself as a member of the community of the spirit, I found in the writings of those great medieval mystics for whom self-surrender had been the way to self-realization, and who in singleness of mind and inwardness had found strength to say yes to every demand, which the needs of their neighbors made them face, and to say yes also to every fate life had in store for them when they followed the call of duty, as they understood it. Love—that much misused and misinterpreted word—for them meant simply an overflowing of strength with which they felt themselves filled when living

in true self-oblivion. And this love found natural expression in an unhesitant fulfillment of duty and in an unreserved acceptance of life, whatever it brought them personally of toil, suffering—or happiness.

"I know that their discoveries about the laws of inner life and of action have not lost their significance."

To adopt his credo is the sincerest tribute any of us can give his memory.

Progress by Solid Accomplishment Without Headlines or Fanfare

EXTENSION OF REMARKS
OF

HON. ABRAHAM J. MULTER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 21, 1961

Mr. MULTER. Mr. Speaker, last November the people of our country elected a Democratic President and reaffirmed their faith in the Democratic Party by continuing that party's control of the Congress.

Let us reflect on this American decision for a moment now that the heat of political battle has cooled and the comfortable breezes of autumn approach the Capitol to sweep away, equally, the fiery oratory, the impassioned pleas, the acrimonious arguments, and the hot air.

The 1st session of the 87th Congress has ended and we near the end of the first year since the election of President John F. Kennedy. The time for reflection—the time for judgment—is here.

On February 21, 1961, 1 month after taking office, President Kennedy sent to the Democratic congressional leaders a 16-point priority list of legislation. The President did not pull these programs out of a hat. Many of them have been part and parcel of the Democratic Party's platform for years—all of them reflect that concern for the welfare of our people and country which has always characterized the Democratic Party.

A review of prior first sessions of Congress reveals these interesting facts:

In the 1st session of Congress under President Roosevelt 11 major bills were passed. They all dealt with the domestic scene.

In the 1st session of Congress under President Eisenhower, 12 major bills were passed. That included extensions of four existing programs, amendments to two others and three reorganizations of executive agencies.

In 1950, under President Truman, an alltime high, until this year, was accomplished by the passage of 14 major bills.

In this 1st session of the 87th Congress, under President Kennedy, we can boast of the passage of 33 major bills.

Numbers alone, however, are not too important. The content is of maximum concern. It will be much too burdensome to analyze in detail all of these items. I will try to be as concise as possible.

Of the 16 priority measures requested by the President, 12 were enacted into law during this 1st session of the 87th Congress. Of course, many more than 12 bills have been enacted—many of these others also came before the Congress at the request of the President. Including treaties submitted to, and ratified by the Senate, the Congress approved 138 separate matters submitted by the President. Few were disapproved or killed by the Congress. Three, of major importance, will be considered in the second session of this Congress which begins on January 10, 1962, they are, first, aid to education; second, medical care for the aged; and, third, tax revision.

Actually, both Houses of this Congress passed and sent the President a total of 693 bills and resolutions. All but eight were approved by the President.

On the domestic front Congress has enacted a series of major legislative proposals designed to stimulate our lagging economy, to promote sound economic growth and development of our human and natural resources, to alleviate the hardships of unemployment, and to promote the well-being of all Americans. They include a number of measures previously vetoed by former President Eisenhower or stymied as a result of "divided government" over the prior 6-year period.

In the area of national defense and foreign policy the Kennedy administration has worked vigorously to rebuild our military strength and to restore our international prestige. Congress has responded by providing necessary funds to improve our defense posture in the face of renewed aggressive activity by the Soviet Union in many parts of the world. It has cooperated in undertaking important new programs to aid the peoples of Latin America and to provide a more efficient and comprehensive type of mutual security program to strengthen our allies, newly emerging nations, and underdeveloped areas of the world.

The Rules Committee has been made more responsive to the Democratic leadership and to the majority will of the House. With the exception of comprehensive aid to education legislation, the new 15-member Rules Committee has provided a majority to assure floor action on all major legislation recommended by the administration so that the membership of the House could work its will in connection therewith.

On the other hand, the record of Republican conduct has been extremely irresponsible. For example, 97 percent of the Republicans voted in the House against consideration of the education bill, 86 percent against the conference report on the minimum wage bill, 84 percent against the conference report on the omnibus housing bill, 80 percent against the conference report on the area redevelopment bill and 50 percent against the conference report on the mutual security bill.

Apparently the Republicans plan to continue their do-nothing policy. The achievements of this session, however, cannot be hidden by Republican carping and negativism.

NATIONAL DEFENSE AND SECURITY

In this vital area the Congress has authorized $12.5 billion in additional funds for fiscal 1962 for construction of aircraft, missiles and naval vessels, stepping up Polaris submarine production to 29 by 1964 instead of 1967. It has authorized $893.9 million for construction and improvement projects at military bases at home and abroad, including missile sites and nuclear submarine bases. $1.7 billion has been authorized for the National Aeronautics and Space Administration for fiscal 1962. This includes increases for a manned moon-orbiting project and for research on solid and nuclear propellants.

There has been $131.4 million authorized for Atomic Energy Commission construction projects. In addition to this, the Congress has authorized the President to call up 250,000 reservists and National Guardsmen for active duty of not more than 1 year. It is believed that nothing less than this will suffice in the face of Khrushchev's continuing threats over Berlin.

INTERNATIONAL AFFAIRS

In this area the President came very near getting what he wanted in a foreign aid bill. But the Congress held back on the blanket authorization for Treasury borrowing and insisted that—although long-term commitments could be made—the various committees on Capitol Hill be required to review these commitments each year.

Treasury borrowing is invidiously referred to by many as back-door financing. It is no such thing. Treasury borrowing merely means that the Congress in a single bill authorizes the lending and directs the Treasury to make the money available. The bill must pass both Houses of Congress and be approved by the President. Any time the Congress desires, it can pass a repealer of such law. It does in one step what usually requires two steps. In the case of most Government expenditures a law is first enacted authorizing them and then a second law is enacted directing the expenditure by appropriating the money. The two-step procedure is usually followed for spending. The one-step procedure has been traditionally followed for lending.

THE PEACE CORPS

One of the really valuable measures enacted into law during this session was the bill creating the Peace Corps.

The Peace Corps will not revolutionize the world, but it is well worth trying. It is a tribute to the President's perception of the mood of America that the Corps has received such enthusiastic support from the American people. This group of dedicated young volunteers will bring great credit to our Nation and enhance American prestige throughout the world. This is one of the positive ways of combating communism.

U.S. ARMS CONTROL AGENCY

Perhaps, aside from the foreign aid bill, the most important piece of legislation passed by the Congress in the area of international affairs was that establishing a permanent U.S. Arms Control Agency. This Agency may well make a major contribution to disarmament and the establishment of peace.

THE ALLIANCE FOR PROGRESS

Six hundred million dollars was appropriated to effectuate a previously authorized aid program for Latin America. This important action provides $100 mil-

lion for disaster relief in Chile, $394 million for loans by the Inter-American Development Bank, $6 million for social and economic programs of the Organization of American States, and $100 million for loans and grants through the International Cooperation Administration.

Two measures important to the hungry of the world were also approved by the Congress. One extends indefinitely the President's authority to use surplus farm products to aid the peoples and economies of undeveloped nations and permits a broadened program. The second expresses the desire of the Senate that the President should explore with leaders of other nations the possible establishment under the United Nations of an international food and raw materials reserve.

A U.S. Travel Service to promote and encourage foreign tourist travel in the United States was established in the Department of Commerce.

THE NATIONAL ECONOMY

Nine hundred and twenty-eight million dollars have been authorized to provide 13 weeks' additional unemployment compensation, up to June 30, 1962, for jobless people whose payments expire. This measure also increased the tax on employers by four-tenths of 1 percent for 2 years beginning January 1, 1962. Similar benefits were supplied for unemployed railroad workers in separate legislation.

Legislation for aid to dependent children provided temporary grants to States to finance their inclusion in the Federal-State unemployed assistance program. This will expire on June 1, 1962.

The minimum wage bill raised the minimum from $1 to $1.25 an hour and extended coverage to 3½ million additional workers by gradual wage step-ups.

Three hundred ninety-four million dollars in loans and grants for industrial plants and public facilities has been authorized for the new Area Redevelopment Administration in the Department of Commerce.

An additional $11.5 billion has been authorized for completion of the Interstate and Defense Highway System as scheduled by 1972.

Construction aid under the Airport Act has been extended for 5 years to June 30, 1966; $375 million is authorized for grants for that period.

SOCIAL SECURITY AND HEALTH, EDUCATION, AND WELFARE

An important amendment to the Social Security Act raises the minimum monthly old-age insurance payments from $33 to $40, increases the benefits to widows, provides that male workers may draw reduced benefits upon retirement at age 62, liberalizes the disability provisions, and increases the tax for workers and employers by one-eighth of 1 percent each.

Although the comprehensive aid-to-education bill did not get out of the Rules Committee, the Congress did pass legislation extending for 2 years the provisions of the National Defense Education Act and for assistance for schools in federally impacted areas.

One of the most important programs enacted by this first session of the 87th Congress is the Housing Act of 1961. It authorizes a 4- to 5-year $4.9 billion housing program for low and moderate income families on liberalized terms, urban renewal, open space development in cities, college dormitory constructon loans, 100,000 new units of public housing, community facilities, an extended farm housing program, an increase in funds for housing for the aged, and a provision for loans to cities to acquire mass transportation facilities.

The Community Health Services and Facilities Act of 1961 expands and extends the programs of Federal grants to the States and communities for construction of nursing homes, training of public health personnel, and studies to improve services for the aged outside of hospitals.

An interim increase of $1 billion has been provided in FHA mortgage insurance authority for dwellings.

Five million dollars a year for 4 years has been provided for the extension of a program of grants and scholarships for the training of practical nurses under the Vocational Education Act of 1946.

One hundred and five million dollars has been authorized for a 1-year extension of the special milk program for schools and child care agencies.

The Juvenile Delinquency Act of 1961 provides a program of Federal grants to communities and nonprofit agencies of $5 million a year for 4 years to help finance projects to combat juvenile delinquency. This marks the first effort in this field by the Federal Government.

GOVERNMENTAL REORGANIZATION

Reorganization plans for the Civil Aeronautics Board, the Federal Trade Commission, and the Home Loan Bank Board, became effective during July and August as a result of congressional approval. A similar plan abolished the Federal Maritime Board and replaced it with a five-man Federal Maritime Commission.

Seventy-three new Federal judgeships were created with the enactment of Public Law 87-36 to relieve the tremendous backlog in almost all Federal courts.

Three important anticrime bills—the first such package since 1934—were enacted. Among other things, these bills prohibit transmitting gambling information. Such a proposal had been made 35 times in the last 52 years.

VETERANS AND SERVICEMEN

An extension of direct and guaranteed home loan programs for World War II veterans to July 26, 1967, and for Korean veterans to February 1, 1975, was enacted. This measure authorizes an additional $1.2 billion for the direct loan program through fiscal year 1967.

Veterans have been authorized to combine separate periods of service in different periods of war to permit them to qualify for a nonservice-connected pension under the 90-day service requirement.

Payment of $60 million special dividend to eligible policyholders of national service life insurance was authorized by the Congress on September 1, 1961.

Other measures include a pension increase for holders of the Congressional Medal of Honor and a requirement that the Board of Veterans' Appeals make findings of fact and conclusions of law in each case.

MISCELLANEOUS

Natural resources: In the natural resources area an expansion of the water pollution control program increases the grants to State and interstate agencies from $3 million annually to $5 million for operations through 1968, and from $50 million to $100 million annually for construction of treatment works. A minor year-to-year saline water research program has been converted into a $75 million, 6-year program to achieve a major breakthrough.

Corporate and excise taxes: Pending a complete revision of our tax laws, the Congress extended for 1 year the present tax rates on corporations and excise levies on distilled spirits, beer, wine, cigarettes, automobiles, parts and accessories, local telephone service, and transportation of persons.

Civil service retirement annuity increase: We made permanent the temporary increase in Civil Service Retirement annuities enacted in 1958.

Food for peace: We raised the authorization under title 1 of Public Law 480 by $2 billion for calendar year 1961 providing for the sale of surplus agricultural commodities to friendly nations for foreign currencies.

Postal workers: A new provision for three longevity steps which are assigned after 10, 13, and 16 years of service respectively will give each employee for each step an amount equal to one step increase for his position.

The Postmaster General, we hear, is urging the President to veto this bill, until such time as the Congress authorizes an increase in postal rates. I have joined many of my colleagues in asking the President to disregard such advice.

The two problems are separate and distinct and should not be confused. Equity and simple fairness dictate that these workers are entitled to this relief. It is long overdue.

Whenever the Postmaster General will recommend to the Congress that business mail be made self-supporting, I believe the Congress will pass a proper rate increase bill. But the longevity increase bill should not be made dependent on a postal rate increase.

This, then, is the record. It is an impressive one; a record that will surely be considered one of the best that any Congress has made. I am proud to have contributed to it.

The work, however, is not done. Many important programs must still be acted on. Prime targets in the second session which begins in January are comprehensive Federal aid to education and medical care for the aged through the social security system.

It has been a difficult and hard-working first session. The New Frontier has not yet been reached. We have, however, gone a long way toward a revitalization of our Nation.

On September 15, 1961, I attended, with Secretary of the Treasury Dillon,

the Vienna meetings of the World Bank, the International Monetary Fund, the International Finance Corporation, and the International Development Association. These meetings were most valuable. They were attended by the official representatives of 74 countries. They help knit the free world into a harmonious organization of mutual help for building a peaceful economy.

From Vienna I went to Rome as a member of the President's commission to the centennial celebration of the unification of Italy. The good will engendered by this delegation was well worth the time and energy expended.

Although my attendance at the closing days of this session was excused because of the official business, to which I attended, it is well to note that there was not a single rollcall during my absence, the result of which would have been changed by my presence. In fact, that is true of the entire session. Excluding the calls on days on which my presence was officially excused, I missed only five rollcalls and five quorum calls out of a total of 231.

On a more personal level, I urge all of my constituents—regardless of their political sympathies—to write to me at my Washington office, Room 1305, House Office Building, Washington 25, D.C., and share their views with me. They are welcome to acquaint me with such problems, with which they believe I can assist them. It is only thus that democracy can work.

The Significance of Citizenship Day and Constitution Week

EXTENSION OF REMARKS
OF
HON. FLORENCE P. DWYER
OF NEW JERSEY
IN THE HOUSE OF REPRESENTATIVES
Wednesday, September 27, 1961

Mrs. DWYER. Mr. Speaker, in connection with the New Jersey State Bar Association's recent commemoration of Citizenship Day and Constitution Week, the Union County Bar Association conducted appropriate ceremonies on September 18, 1961, in the Union County Courthouse, Superior Court Judge Walter L. Hetfield III presiding.

The president of the Union County Bar Association, John T. Glennon, Esq., of Elizabeth, N.J., delivered an address on that occasion which merits the attention of our colleagues. Briefly and cogently, Mr. Glennon expressed the meaning of citizenship, related this meaning especially to the position of new citizens in a community, and stressed the responsibility of members of the bar to honor the principles of good citizenship.

Under leave to extend my remarks in the RECORD, Mr. Speaker, I include Mr. Glennon's address:

THE SIGNIFICANCE OF CITIZENSHIP DAY AND CONSTITUTION WEEK

U.S. citizenship is a glorious possession representing the dreams and struggles of men for centuries. Our Constitution, which guarantees priceless freedoms to our citizens, sets forth a concept of liberty that has been an inspiration to freedom-loving people everywhere. It is, therefore, most fitting to stress the significance of Citizenship Day and Constitution Week. It is the intention by the several proclamations that have been issued by our President and Governor that the observance will honor those youth of native birth, just arrived at voting age (of whom there are approximately 2½ million each year) and those from other countries recently naturalized as they accept the rights and privileges of citizenship and begin full participation in the civic and political life of their communities, States and Nation. This observance not only will honor especially these two groups of our citizenry, but will afford an opportunity for all citizens, native born and naturalized, to rededicate themselves to the ideals and principles upon which this Nation was founded and built.

As lawyers we should feel honored to play a part in the observance of this day and week. Judge Hetfield in his judicial wisdom being mindful of the importance of such a recognition of Citizenship Day and Constitution Week, has set aside a period of time so that a proper observance of this day and week be made by our Courts in Union County and the Members of the Bar. For this courtesy, I, as President of the Union County Bar Association, should like to extend my personal appreciation and thanks.

By such recognition, courts and lawyers lend a dignity to the status of new citizens. We can help to promote unity and increase the interest of every citizen in public affairs. The importance of citizenship is thus emphasized and the individual's feelings are stirred. Naturalized citizens come to feel themselves more closely identified with the great body of their fellow citizens in a community. By our actions as lawyers, young people of our country also gain a realization of the interest we manifest in their good and faithful performance of their duties as citizens.

By our interest we also demonstrate to all communities the great imperatives of citizenship, duty to God and country.

Wisconsin Attorney General John Reynolds' Brilliant Speech

EXTENSION OF REMARKS
OF
HON. WILLIAM PROXMIRE
OF WISCONSIN
IN THE SENATE OF THE UNITED STATES
Wednesday, September 27, 1961

Mr. PROXMIRE. Mr. President, the attorney general of the State of Wisconsin, the Honorable John Reynolds, delivered a highly impressive speech at the Wisconsin State Democratic Convention at Eau Claire, Wis.

I ask unanimous consent that this excellent expression of the aspirations of a distinguished leader of the Wisconsin Democratic Party be printed in the RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

My fellow Democrats, we are still the minority party in Wisconsin, as the 1960 election proved. People do not vote Democratic in Wisconsin just out of habit. If we are to win and hold the respect of the voters of this State, we must do it by offering them something better than our opponents. Politics must be something more than a game for us, because if it should degenerate into that, we had better remember that the Republicans have been the home team in Wisconsin since the Civil War.

During the McCarthy era we liberals in Wisconsin distinguished ourselves because we stood on our convictions in the face of social ostracism, economic reprisals, and character assassinations. If we had not fought McCarthyism then there would then be no strong Democratic Party here today.

And today if we do not fight for human rights there will be no strong Democratic Party here tomorrow. Because the great issue that confronts America today, the issue that truly separates the liberals from the conservatives is the issue of Human Rights. The Democratic Party of Wisconsin has always stood for the equal opportunity of every man and for the equality of all men regardless of race or religion. We must not now abandon these principles in order to seek political advantage.

We are proud that Governor Nelson courageously led the fight for civil rights in housing. We know that Republican obstructionists killed that bill. But we also know that Democrats did not go forward with untarnished armor. I am sorry to say that a few of our own Democratic legislators—men who wrap themselves in the banner of our party at election time—voted with the bigots on this matter. Their conduct mocked that great principle of the equality of all men which is so basic to any liberal thought.

When I was in Europe last summer I was shocked and ashamed to pick up a European newspaper and see on the front page a picture of sit-in demonstrators, not in Little Rock or New Orleans, but in our own Capitol building in Madison, Wis. Their defeat disgraced the name of Wisconsin and the name of America around the world. And knowing that some Democrats had voted on the side of man's inhumanity to man made the news even more disheartening to me.

I am proud to be able to report that as your Attorney General, I have seen to it that our inadequate laws dealing with racial discrimination have been enforced to their limits. Every instance of discrimination that has come to my attention has been promptly investigated and violators prosecuted.

Let me say here that the Governor's Commission on Human Rights and the district attorneys of our State, both Democrat and Republican, have been most helpful and cooperative in all these human rights matters.

In 1962 we must go to the people on this issue of human rights. We must have confidence that the ordinary American places the rights of all men to liberty and happiness above the temptation to prejudice.

If the price of public office is to become racial bigots, then I say the price is too high. If Wisconsin is to be run by bigots, let it be run by Republican bigots.

We have worked to make the government of this State a more responsive and representative servant of the people. One of the greatest achievements of the Democratic Party is the antisecrecy law enacted in 1959. That people should know of the conduct of their government is essential to a democracy—and neither freedom nor democracy can survive and flourish if the business of the government is conducted behind closed doors. As your attorney general I am proud to tell you that my office has vigorously enforced this Antisecrecy Act. The intent of the Democratic sponsors of the antisecrecy bill has been given full effect by a narrow construction of the few exceptions to the open-meeting rule. The demands for open meetings by hundreds of citizens and by a large segment of the press have been followed

up by the attorney general's office. In every case within the contemplation of the law we have ordered government agencies to open their doors to the scrutiny of the public and of the press.

The fight for an open government has, however, just begun. Many Wisconsin educational agencies and their committees still meet in secrecy. And other government units conduct their affairs away from the scrutiny of the public. The crusade for open meetings must continue, not only by the attorney general's office, but by liberals in every county and every community all across Wisconsin.

Still another front on which the battle for liberal principles is being waged is in the area of economic opportunity. The small, independent businessman is being systematically and ruthlessly destroyed. Even today, as I speak in communities, large and small, in all corners of Wisconsin I find that the small, independent grocer and dry goods retailer have practically disappeared.

If the trend toward the concentration of great economic power and wealth in the hands of a few huge monopolies continues it will destroy the small businessman and it will destroy economic opportunity for all of us. In fact, these monopolies will destroy the free enterprise system as we know it. The purpose of the antitrust laws is to help the small businessman and the consumer and to preserve the free enterprise competition system.

As attorney general of Wisconsin, I have launched a twofold attack to protect small business and keep economic opportunity open to all. First we have conducted a vigorous antitrust campaign under the present laws. The attorney general's office has initiated more antitrust cases in the past 3 years than during any other 3-year period in Wisconsin history.

For example, we have prosecuted, or are prosecuting, such industrial giants for the violation of Wisconsin antitrust laws as Allied Chemical, Dow Chemical, Pittsburgh Plate Glass, E. I. du Pont Co., Brunswick Corp., Texaco Oil, Borden Dairies, Fairmont Corp., and Pet Milk to name just a few. Second, Governor Nelson and I have asked the legislature for stronger antitrust laws, for more antitrust attorneys (we have only one full-time man now) and a consumer counsel in the attorney general's office. We must work harder than ever to keep the people alert and aroused over the growth of monopoly and the undermining of economic opportunity that is occurring in Wisconsin and in the Nation.

As attorney general, I served on the constitutional revision commission. That commission recommended constitutional reorganization to make the government more responsible to the people by consolidating the vast government bureaucracy which is spread over 70 agencies and commissions and by eliminating those long terms for department heads which insulate them from popular control. We also recommended a 4-year term for the Governor to give him a better opportunity to develop, present and seek public support for his program.

Governor Nelson's program for Wisconsin and President Kennedy's program for the Nation provide us with a strong liberal record with which to go forward in 1962. It is for us to take our record to the people. And we must begin today. Our crusade will require much time and hard work. But we must not shrink from the task. Our belief in the democratic system and our adherence to liberal principles require that we carry this fight forward this year as we have carried it forward every year since we reorganized the Democratic Party in 1949.

To achieve a victory for progressive principles and the public interest we must not let incumbency make us over-confident. Nor must we allow the taste of victory to deter us from fighting for liberal principles. We will win only if we are true to our liberal beliefs—as we have remained true in bad times and good since 1949.

I ask you to join with me in rededicating ourselves this year to those liberal and humanitarian principles which are the heritage of the Democratic Party.

Goals of the New Frontier: Medical Care Under Social Security

EXTENSION OF REMARKS
OF
HON. AL ULLMAN
OF OREGON
IN THE HOUSE OF REPRESENTATIVES
Wednesday, September 27, 1961

Mr. ULLMAN. Mr. Speaker, high on the agenda of unfinished business which will face the Congress when we meet again next year is the problem of insurance against health care expenses for our retirees under social security. In a special message last February President Kennedy reaffirmed this as a major goal of the New Frontier in these words:

Twenty-six years ago this Nation adopted the principle that every member of the labor force and his family should be insured against the haunting fear of loss of income caused by retirement, death, or unemployment. To that we have added insurance against the economic loss caused by disability. But there remains a significant gap that denies to all but those with the highest incomes a full measure of security—the high cost of ill health in old age.

A few facts indicate the extent of the need to which the President referred. There are currently 16 million of our citizens who are over 65 years of age. They go to the hospital more often and stay longer than their younger neighbors. As a result, their annual medical bill is twice that of those in the rest of the population but their annual income is only about half as large. In addition, it must be remembered that among those who can least afford medical care, the tendency is to do without it, frequently until an emergency situation develops, so that these figures actually understate the increased need for medical care among older citizens.

To meet this pressing need—to fill the gap described by the President—legislation has been introduced which would utilize the social insurance approach, enabling people to pay during their working years toward meeting the health costs they will face in old age. The bill represents a sound and practical answer to a national problem. It does so without proposing to limit the patient's choice of doctor or hospital or to subject people to a means test which would deny them dignity and self-respect in their days of retirement.

It should be emphasized that the President's proposal centers around the problem of meeting hospital and nursing home costs. This has the advantage not only of eliminating any question whatever of disturbing the doctor-patient relationship, but also allows us to focus on the element of health care costs that have risen the most rapidly in recent years. Hospital rates have more than doubled since 1948 and they threaten a continuing rise. By providing a program to meet a large part of this high-cost element, we can bring more adequate health care on a broad basis within reach of our senior citizens.

In so doing, I am convinced that we will also expand the opportunities for private insurance plans to provide adequate coverage for other aspects of health care to our older citizens and for across-the-board protection to people who have not yet reached retirement age. This is true because the fact that our retired people have a much greater need for medical care also means that they represent a high-risk market to the private insurance firms who must either deny them coverage, reduce benefits, or else raise their rates to a level that puts coverage beyond the reach of many, both young and old. Handling this high-risk, high-cost aspect of the situation through social insurance will remove a major obstacle to the extention of private insurance to meet more fully the other aspects of our medical care cost problem.

Mr. Speaker, the Ways and Means Committee, on which I serve, held extensive hearings on the President's proposal. Our study deepened my conviction that we need this program and that it is a sound and moderate program. The record of the hearings includes a mass of facts and figures documenting both the need and the practicality of the recommended solution. But, as Secretary Ribicoff pointed out in his appearance before us, "statistics cannot measure the anxiety and suffering of elderly people who see their small savings, their homes, their security about to be swept away by the near certainty of expensive illness." The Congress can and should eliminate this source of fear and insecurity and favorable action on the President's recommendation is the logical and fair way to do so.

The House That Bilked Jack

EXTENSION OF REMARKS
OF
HON. BOB WILSON
OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES
Wednesday, September 27, 1961

Mr. WILSON of California. Mr. Speaker, we are very fortunate today to have the benefit of the writings of many young Americans published in the magazine of Young Americans for Freedom, the New Guard.

In a recent issue there appears a sum-up of the activities of the 1st session of the 87th Congress prepared by one of these outstanding young American writers. Robert E. Bauman, presently a resident of Washington and a student at Georgetown Law School, has had a unique opportunity to observe the Congress in action and I commend his article to you and all Americans.

Under unanimous consent I include herewith Mr. Bauman's article entitled "The House That Bilked Jack":

EIGHTY-SEVENTH CONGRESS—A ROUNDUP: THE HOUSE THAT BILKED JACK

(By Robert E. Bauman)

"I want to be a President who is willing to take the responsibility for getting things done, and to take the blame if they are not done right * * * a President who will formulate and fight for his legislative policies * * * who will not back down under pressure. * * * I am not promising you action in the first 100 days alone * * * I am promising you 1,000 days of exacting Presidential leadership"—John Fitzgerald Kennedy, New York City, November 5, 1960.

As autumn crosses the land, and the nights are chill, the words echo as if muffled by distant time. Though less than a year since their utterance in that Harvard-Yankee twang, full throated and compelling, the phrases now are desolate; faded like the browning ink of letters from a dusty attic. Go back and listen.

At Los Angeles, September 9, 1960:

"I have asked Senator CLARK, of Pennsylvania, and Congressman CELLER, of New York, to embody all the [civil rights] pledges of the Democratic platform in a bill, and that will be among the first orders of business when the new Congress meets in January."

At La Crosse, Wis., October 23, 1960:

"If I am elected I will give the farm problem top priority in the opening weeks of my administration."

Again, Los Angeles, November 1, 1960:

"I have pledged myself and my party to immediate enactment of a program for medical care for the aged through social security * * * that pledge will not be filed away with old unmeant campaign promises * * * it will be at the very top of the agenda for action."

And in Washington, January 15, 1961:

"Aid to education is the most important bill—Federal aid—so one of the first items on the Democratic agenda in 1961 is the passage of an adequate bill for school construction * * * [and] to raise teachers' salaries."

Realism is like rigor mortis. It not only stiffens, but is also a symptom of an acute personal problem, at least for the victim. And J.F.K. has plenty of problems, not the least being his record with the overwhelmingly Democratic 87th Congress. In the snowy Capital days of late winter past, one writer could exult:

"It was a heady, exciting time in Washington. The days had the tang of high adventure, and the men around him found the President's enthusiasm contagious." But now the heat of a Capitol Hill summer has changed the tang to a twinge.

One forecast in Kennedy's January state of the Union address has proven dismally correct: "The news will be worse before it is better." By May, the end of the first 100 days had come, preceded by reams of Presidential messages sent to Congress (they came to be known as One-a-Day Brand) containing over 150 requests for more Federal spending. The schemes ranged from the Peace Corps to aged widows.

With the topheavy Democrat majority in the Senate (65–35) that august body gave J.F.K. less trouble. The slings and arrows that punctured the New Frontier came from the House, a body notorious for its evil coalition of folks-back-home and Congressmen.

As the Senate quietly shoved the filibuster rule change under its thick carpet (for a later death in September), the House joined the issue with J.F.K. on expansion of the Rules Committee. By a Kennedy-Rayburn majority of 5 whole votes (out of 429 cast), the committee was packed with a Kennedy majority. Now we could move ahead. (Later the critter was to turn on its creator and bite him soundly on his Federal aid to education bill.)

The minimum wage was to be raised to $1.25 an hour; then came the first jolt—the House notched its gun and voted $1.15. The net compromise was $1.15 now, $1.25 later (2 years later, for those workers expecting this as agenda item No. 1).

Next came the farmer, whom you may recall was also agenda item No. 1. The feed grains bill squeaked through the House by 7 votes. J.F.K. was gratified. It would mean higher farm prices. Farm prices have slid down and down, while consumer food costs are at an alltime high.

The remainder of the J.F.K. do-it-yourself farm program was a victim of dumping by congressional committees. The idea was to let Secretary Freeman and the farmers work it out themselves, with Congress having a veto power. It never saw the light of day. Congress passed what amounted to extensions of previous Benson programs. (As Truman had said on the day after election "The farmers voted for Nixon and they can go to hell.") Strike agenda item No. 1(B).

When Congress really got down to work in early summer, victory followed victory; the House threw out the J.F.K. proposals for reorganization of the FCC and the NLRB, while the Senate, in a rare display of petulance, rejected similar plans for the SEC and came within five votes of killing the Kennedy $9 billion housing bill.

Aid to depressed areas sailed through both Houses, and, with no profile of courage to veto it this time, became law, further adding to the growing deficit.

Agenda item No. 1 (C) civil rights, somehow got lost in the shuffle. Said Senator CLARK at an NAACP rally: "Without Presidential support there will be no bill, and we do not have that support."

Agenda item No. 1 (D) was a tougher problem: Federal aid to education. The story is well known by now, with its cacophony of voices about church and state, need and desire, black and white, NEA and J.F.K., salaries and buildings, Adam and Clayton and Powell.

What finally came before the Congress, not in January but August, was a watered-down pitch for Federal aid for school construction leaving out teachers' salaries entirely. (He had said in January: "I am confident that a Democratic Congress will pass a bill to raise teachers' salaries * * *.") The vote in the House was crushing, 242 to 169. Chairman POWELL of the Education Committee pronounced the benediction: "It is dead."

In a last minute face-saving operation J.F.K. whispered that he would accept an education bill extending the aid to federally impacted areas program and the National Defense Education Act scholarship program, both Eisenhower measures. But, said Jack, with his eye on fighting again another day, we need extend it for only 1 year. And so, Congress passed a 2-year extension, and that was that.

And could anyone escape the sounds of battle on the Hill over long-term foreign aid? J.F.K. called for 5-year loan authority and back-door Treasury bond issues to finance the aid. He was told clearly by House Republican Leader HALLECK and others who knew the facts that he could get 5-year loan authority, but not the financing provision. The House would never stand for circumvention of its constitutional right to appropriate annual sums carefully scrutinized and examined. The foreign aid bill, in the form CHARLIE HALLECK had predicted, passed the House by a large majority, with the Kennedyites conceding defeat on the key provision on financing without even a rollcall.

Ike left us with a projected 1969 budget in balance, with an $80 million surplus. J.F.K. wound up the fiscal year in June with a deficit of $3.9 billion. Eisenhower had planned a 1962 budget that would have had a $1.5 billion surplus. Kennedy's advisers admit to a 1962 deficit of $5.3 billion, and congressional experts say it will be closer to $7 billion plus. Of course 44 percent of the Kennedy increase is for defense spending, but that means 56 percent is for the J.F.K.-liberal domestic programs, a large part of which is financed by back-door spending. And yet no new taxes have been requested. "Ask not what your country, etc., etc."

As J.F.K. has signed with a flourish each of his mutilated legislative "triumphs" he has crowed about his victories in Congress. His salivating press admirers have echoed the line. Outside the White House sanctum we stand in puzzlement, remembering another fall, other words.

P.S.—What ever happened to medical care for the aged (agenda item No. 1(E))?

United States Should Continue Friendly Relations With Venezuela

EXTENSION OF REMARKS

OF

HON. WILLIAM FITTS RYAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 27, 1961

Mr. RYAN. Mr. Speaker, on Saturday, September 23, the gentleman from California [Mr. ROUSSELOT] was recognized under previous order of the House. His remarks in the CONGRESSIONAL RECORD attack the President of Venezuela, Romulo Betancourt, with the same kind of false charges which the enemies of democracy in the Western Hemisphere often have used in unsuccessful efforts to discredit him.

Since competent observers of Latin America recognize instantly the incredible distortions contained in the statement, at first I thought the attack should not be dignified with a rebuttal. However, most of us do not have the opportunity to follow the intricacies of Latin American political developments. So the public will know only that a Member of Congress has indicted the President of Venezuela with grave charges. Generally it will not be known that the statement was entered in the RECORD in the waning hours of the session when urgent legislation was before us. If no voice is raised to counter them, the public perhaps will be inclined to give credence to the accusations. Therefore, I believe that the record must be set straight.

The present Goverment of Venezuela is one of the principal foundations for democracy in Latin America. Yet, there is an active lobby engaged in undermining the friendly relations between the United States and Venezuela.

I am compelled to ask: Is Mr. ROUSSELOT's statement unwittingly a part of an effort to establish a climate of sympathy for the ex-dictator of Venezuela who is currently in Miami fighting extradition to Venezuela?

Let us consider Mr. ROUSSELOT's charges and the evidence he submits to support them.

The gist of his argument is that President Betancourt is a Communist and

that, by giving aid and moral support to Betancourt's government, the United States is supporting a Communist takeover in Venezuela.

Mr. ROUSSELOT asserts:

The facts pinpoint Betancourt as a lifelong supporter of Communist objectives and ideology.

The principal "facts" related to support his view are: First, Betancourt was a Communist in the early 1930's; second, quotes from letters allegedly written by Betancourt in 1932; third, the relationship between Betancourt and Castro is that of "teacher and disciple"; fourth, Betancourt "welshed" on an alleged agreement with the United States at the OAS conference at San Jose to support a strong declaration against Castro in return for the U.S. vote for sanctions against the Dominican Republic; fifth, the Betancourt government's "wavering" support for the U.S. position on important issues in the United Nations; sixth, the Betancourt government's alleged interference with private property and foreign investments in Venezuela.

Mr. ROUSSELOT's conclusions are based on some strange distortions of history.

In point of fact, since 1935 Romulo Betancourt has been one of the outstanding anti-Communist, democratic leaders in Latin America.

Venezuela has had a tortured political history. Since achieving independence in 1830, Venezuela has been plagued by tyrannical rulers, political instability, and revolt. The exploitation of Venezuela's vast oil deposits since World War I brought great wealth to a handful of people, while the rest have lived in the same abject poverty as before the oil bonanza.

Three decades ago Romulo Betancourt and a group of other young university students began to seek a way to remedy conditions in a country where the vast majority of the people had no voice in governing their own society and in determining their own destiny.

The students' first attempt came in 1928 with the organization of a general strike to break the grip of the dictator, Juan Vincente Gomez, who had ruled Venezuela with an iron hand for 20 years. The strike failed, and most of the young men, including Romulo Betancourt, were deported.

During his exile in Costa Rica, Betancourt did indeed become a Communist. However, close contact with militant Communists convinced him of the evils of communism.

He broke with the party in 1935. Betancourt's subsequent history has been one of constant combat against the Communists whose ideology he had learned by firsthand experience to detest.

Upon the death of Dictator Gomez in 1935, his successor, General Lopez Contreras, permitted the exiles to return. Most of the opposition groups banded together into two political organizations. The Communists founded the PRP—Partido Republicano Progresista—as a front organization because Communist activities were outlawed. The group of democratic leaders, including Romulo Betancourt and most of his present associates, formed ORVE. In 1936 the dictator prohibited all political activity. ORVE and PRP went underground and joined forces under the name of the Partido Democratico Nacional in order to better combat the totalitarian government.

From the outset dissension arose between the Communist and non-Communist members of the Partido Democratico Nacional. The non-Communists, led by Betancourt, insisted that the Communists should break all ties with the international Communist movement. When the Communists refused, the two groups split—in 1937—with the Communists coming out openly as the Partido Comunista de Venezuela—Venezuelan Communist Party.

In 1941 Betancourt's party was legalized by the government and adopted its present name, Accion Democratica, or AD, which later became the majority party in Venezuela.

The constant conflict between Accion Democratica and the Communists is overwhelming evidence of their animosity. During World War II the fledging AD party took a strong stand for the Allies and against the Soviet-Nazi pact. The Communists, as they did the world over, at first denounced the conflict as "imperialist." Only when the Nazis attacked the Soviet Union did the Venezuelan Communists, as Communists again did the world over, become violent opponents of the Axis.

During World War II Communists maintained close relations with the regime of Gen. Medina Angarita. Medina's official party presented joint lists of candidates with the Communists which were contested by Accion Democratica candidates.

In 1945 a coup d'etat deposed Medina and brought Betancourt and Accion Democratica briefly to power. The Communists even took up arms to defend the Medina regime.

In 1948 the AD supported government of President Romulo Gallegos, the first democratically elected president in Venezuelan history, was deposed by a military coup led by Col. Marcos Perez Jimenez.

The Perez Jimenez decade helped the Communists in Venezuela. The military government immediately prohibited action by Accion Democratica, jailing and exiling its political leaders, as well as its union leaders. The Communist Party, on the contrary, was permitted to function and to publish its daily newspaper for almost 3 years. Thus, the Communists took advantage of the vacuum left by the persecuted AD union leaders.

To maintain his power, the dictator had to strangle the vigorous free trade unions which Betancourt and the AD had nurtured. The democratic leadership in the unions was destroyed, and the labor movement was taken over by the Communists.

Since the overthrow of Perez Jimenez in 1958, Accion Democratica and other democratic labor leaders have had a bitter fight to recapture the labor movement from Communist leadership. By the beginning of this year, democratic elements managed to win 122 out of 135 elections in the various labor unions which comprise the Venezuelan Confederation of Labor.

On the political side during the Perez Jimenez decade, the Communists also were active. In December 1951, the Communists published a letter, directed to the National Executive Committee of Accion Democratica, urging joint action. AD did not reply.

The following year the Communists issued another call for a united front proposing that they join with Accion Democratica in forming a provisional government. Again AD did not reply.

To a subsequent appeal in 1955 for a united front between the Communists and Accion Democratica, Venezuela Democratica, an AD publication in Mexico, answered:

Communist participation [in unified action against the regime] would mean an attempt to convert what should be an instrument of struggle against the Venezuelan dictatorship into an apparatus for struggle and propaganda against the United States in its controversy with the Soviet bloc.

After Perez Jimenez was finally ousted in January 1958, Betancourt's Accion Democratica still would have nothing to do with the Communists. As a matter of historical fact, in the free elections at the end of 1958, in which Betancourt was a candidate for President on AD's ticket, the Communists aggressively supported his opponent, Adm. Wolfgang Larrazabal, candidate of the URD Party. Larrazabal officially welcomed their support.

The final tabulation gave Betancourt 49.18 percent of the total vote, Larrazabal 34.61 percent, and Rafael Caldera—Social Christian—16.21 percent. There can be no doubt about for whom the Communists voted. In Caracas, the country's major urban and industrial center, where Communist efforts were concentrated, Larrazabal drew 69 percent of the vote to Betancourt's mere 11 percent.

Since President Betancourt assumed office in February 1959, the Communists have worked to create situations of instability for him, to weaken him, to overthrow him. If President Betancourt were a secret Communist agent, as Mr. Rousselot suggests, would it make any sense for the Communists to be undermining him?

As for President Betancourt himself, he has made his ideological position unequivocally clear. In public life for over three decades, he has written numerous books, made innumerable speeches and public statements, and governed the country twice. He vigorously has stated and defended his anti-Communist position.

For example, on his return to Venezuela from exile in 1941 Betancourt published some statements in the newspaper Ahora on May 20. These declarations are reproduced on page 99 of the book, "Romulo Betancourt, Semblanza de un Politico Popular," published in Caracas in 1948, and also beginning on page 68 of the book, "Romulo Betancourt, Interpretacion de Su Doctrina Popular y Demo-

cratica," published in Caracas in 1958. There he states:

I am not a Communist. The sector of Venezuelans who as Communists have organized such a political group, affiliated with the Third International, say in No. 3 of their clandestine publication, El Martillo (June 1938): "Romulo Betancourt is not a Communist, is not a member of the Communist Party and never has belonged to its ranks." I will not limit myself to reject a political label capriciously hung on me as upon almost all Venezuelan opposition political leaders. I add that I consider unnecessary a Communist Party in the country. Venezuela urgently needs a profound renovating transformation of its political, economic, and social organization, which, to have historical vigor and a guarantee of permanency, must be channeled by a great democratic party to which adhere, around a concrete program and subject to a single-party discipline, the most brilliant of all the creative, productive social classes, not just one class: the working class.

Moreover, I reject the Communist Party, with all the force of my intransigent Venezuelanism, because its dependence on Moscow converts it into a simple bureaucratic appendix to the Soviet state. And if we reject nazism, for acting globally in accord with the dictates of Hitler, for the same reason we reject communism, which acts globally in accord with the dictates of Stalin. There is nothing in common, therefore, between us and the European internationals, whether it be the Second Socialist International, the Second International of Moscow or the Fourth International which Leon Trotsky tried to create.

We are advocates of the democratic forces of our America, politically organized, taking up the ideal of continental unity foreseen by Bolivar and the great leaders of the first republic, but without renouncing for a moment the basic principle that each country is autonomous to resolve its own domestic problems.

From 1941 to 1945 Betancourt was the most outstanding leader of Accion Democratica and a daily columnist in the newspaper El Pais.

From that journalistic position he maintained an active campaign against communism.

In 1944 Betancourt opposed the Communist candidate for the Caracas City Council for the district of San Agustin, and won.

After the revolution of October 1945, when Betancourt became President of the revolutionary junta, the Communist Party bitterly opposed him. Betancourt's position at that time with regard to communism, and that of the revolutionary junta, is contained in some statements made to Ernie Hill of the Chicago Daily News in April 1947. These statements are reproduced on page 471 of the book "Trayectoria Democratica de una Revolucion," published in Caracas in 1948. Here Betancourt states:

I must say, in this respect, that the attitude of the government which I preside is absolutely different than that of the government of Gen. Medina Angarita, deposed on October 18, 1945. That government through its party maintained a close alliance with the Venezuelan Communist groups, and joint lists of candidates of the Communists and the official party were combated by us when we were in the opposition. From the government we have maintained an attitude of complete independence toward the Communist groups and there is not the remotest possibility that the organized political forces which back the present regime would present joint lists of candidates with the Communists.

After the military coup of 1948 Betancourt again lives in exile. In those 9 years of exile he wrote many articles, lectured and published two books, "Pensamiento y Accion" and "Venezuela, Politica y Petroleo." In the latter, on page 69, Bentancourt explains his decision to break away from the Communists:

None of those who later founded Accion Democratica became active in his first exile in political groups subordinate to the third international. Despite being quite young, because the majority had just passed the age of 20, we resisted the temptation to transfer our political will to Soviet directorship, then so attractive to educated youth. When we approached the Communists' tents, the roots of the group's Venezuelan and American sentiments were badly shaken. We collided with a foreign group, deaf and blind to the vital necessities of our peoples, a kind of bigotry genuflexing before the imperious orders of the Comintern bureaus. The small group of compatriots then organized into the embryo of what would later be the Communist Party of Venezuela took charge of deepening the open trench between our group and theirs, unleashed against us an offensive of insults in which they still persist with extraordinary tenacity 20 years later.

After the overthrow of Perez Jimenez in 1958 Betancourt's presidential candidacy was launched by Accion Democratica. From public platforms Betancourt attacked the Communist Party and declared that he would never accept Communist assistance or cooperation. In a speech at the close of the campaign on the night of December 5, 1958, in Caracas' Plaza de el Silencio, he stated:

I want to say explicitly that in the formation of this Government, if the people of Venezuela carry me to the Presidency of the Republic with their votes, that I will not seek the collaboration of Communist Party. The Communist Party, as any other group of Venezuelans who uphold a political ideology, have a perfect right to sustain their press and their propaganda; but the Communist Party cannot form part of the executive train of the democratic Venezuelan Government because its political philosophy is not in accord with the democratic structure of the State, and because its position in international policy is not only foreign, but also opposed to the interests of Venezuela.

In the almost 3 years President Betancourt has occupied the highest post in his country he has continued to repudiate the Communists and to exclude them from the councils of his coalition government.

On his inauguration as constitutional President of Venezuela, February 13, 1959, he declared:

My talks regarding the formation of the Government were limited to COPEI and URD. It was those two parties and Accion Democratica, the latter the one which nominated me for the Presidency, which signed the triparty pact of October 31, 1958. The Communist Party was excluded from that agreement by the considered decision of the signatory organizations. During my election campaign I made it perfectly clear that I would not consult the Communist Party on the formation of a government and, while respecting that party's right to operate as an organized group within the country, I would not invite any of its members to hold administrative posts from which they might exercise an influence on Venezuela's domestic or international policy. This position is well known among Venezuelans, and it was based by the three major parties on the fact that the Communist political philosophy is not consonant with the democratic structure of the nation and that the party's views on the course Venezuela should follow in international affairs are not in keeping with the best interests of the country.

In a thunderous speech on November 1, 1960, in which President Betancourt first denounced rightwing attempts to overthrow the constitutional government, he went on to state:

But some have sought to have a lenient and soft attitude adopted when leftwing elements, submissive to orders from abroad, carry out revolutionary attempts. But we, as has been said emphatically again and again by spokesmen for the labor and rural workers movement, we are Venezuelans, we will choose our course and follow our path. Because we were not born in Cuban Sagua La Grande nor in Havana; because we were not born in the Ural Mountains, in the Siberian steppes, nor in a Moscow neighborhood, because we were not born in Peiping, China. We were born in San Cristobal, in Achaguas, in Carupano, in Caracas, in any place in this immense Venezuelan land, and we were fed at the breast of a Venezuelan mother. And we have been nourished by the fruits of a land fertilized with the blood and bones of our grandfathers and our great-grandfathers, of the men who died in the War of Independence so that this country would be sovereign.

For that reason, and because the sovereign will of the nation was expressed in the elections of December 7, 1958, Venezuela is not disposed to tolerate any attempt to establish in the country either a dictatorship of a totalitarian Fascist type or a dictatorship of a totalitarian Communist type.

It seems impossible to me that anyone could read the above denunciation of the Communists by President Betancourt without sensing his violent opposition to the Communists who are trying to destroy democratic government in Venezuela.

Remember, Betancourt's denunciations of Communist activities in Venezuela are published in Venezuela, stated in the press in Venezuela, or addressed to the Venezuelan public over radio and TV in Venezuela. It is absurd to assert that a man who has spent practically his entire adult life building a democratic political party and defending it from Communist onslaughts is a secret Communist agent.

Betancourt's public and evident record of anticommunism cannot be ignored. Instead, his enemies try to cloud it and cast doubt upon it. Let us examine the process in Mr. ROUSSELOT's statement:

Betancourt's so-called breaks with Communist objectives—

According to ROUSSELOT—

have been hollow gestures. As far as I can determine, he never actually left communism even though for expedient reasons, he has often put on the mask of anticommunism.

Then later Mr. ROUSSELOT says:

The fact must be faced that he is a former functionary of the Communist International and is still working consistently for Communist ends.

What evidence does Mr. ROUSSELOT submit? We are treated to lengthy quotations from letters allegedly written in 1932 by Romulo Betancourt, supposedly captured by the then Dictator Lopez Contreras and published in a Red Book. In these letters Betancourt is supposed to outline his course for introducing communism into Venezuela by posing as a democrat.

I suggest that Mr. ROUSSELOT look again at the Red Book. He will find that it has no publishers imprint. Photostatic copies of the letters allegedly written by Betancourt are not reproduced in it.

The red book contains anonymous, unproved, and unverified allegations which were used against Betancourt by the dictator, Lopez Contreras, in the 1930's to discredit the leader of Venezuela's first major democratic movement. The fact that the same dictator republished the allegations in a book in 1955 does not establish their authenticity.

As for President Betancourt's relationship with Cuba's Castro, Mr. ROUSSELOT asserts that "the relationship between the two men has been that of teacher and disciple." As proof, Mr. ROUSSELOT avers:

As long ago as 1948 Betancourt intervened and saved Castro's life when the latter was in danger of death in Bogotá for his active participation in the bloody Communist riots. Betancourt certainly knew at the time that Castro was a Communist for both the Colombia police and the American FBI had documentary material in their files proving Castro's communism. Nevertheless, Betancourt threw the mantle of his protection around Castro and saved him to become the Communist midwife of Cuba.

If "documentary material" establishing Castro as a Communist existed in the FBI files, it was unknown to the Deputy CIA Director, Gen. C. P. Cabell, who testified on November 5, 1959, before the Senate Internal Security Subcommittee as follows:

That question is related to the question, Is Cuban Prime Minister Fidel Castro a Communist?

Let me develop that thought for you, sir. Our information shows that the Cuban Communists do not consider him a Communist Party member, or even pro-Communist.

On the other hand, they are delighted with the nature of his government, which has allowed the Communists opportunity, free opportunity, to organize, to propagandize, and to infiltrate.

We know that the Communists consider Castro as a representative of the bourgeoisie, and were unable to gain public recognition or commitments from him during the course of the revolution.

We know that the Communists were concerned when, at the time of his trip to the United States, he showed evidence of a friendly attitude toward the United States.

We know also that it has been the assigned task of the Cuban Communist Party to prevent Castro's revolution from establishing friendly relations with the United States, or ending its tolerance of Communist activities.

Our conclusion, therefore, is that Fidel Castro is not a Communist; however, he certainly is not anti-Communist. His extreme policies, including confiscation of private property, lead him to take positions and make statements such as his violent anti-U.S. outbursts which are extremely useful to international communism and are being exploited by the Communists to the maximum extent.

How could Romulo Betancourt, a Venezuelan, "certainly" know that Castro was a Communist in 1948 because "the American FBI had documentary material in their files proving Castro's communism"? Indeed, the Deputy Director of the U.S. CIA, who has access to FBI files, seems to have overlooked the purported FBI documents.

I ask, moreover, with whom did Betancourt "intervene" in Bogotá "to save Castro's life"? The Conservative Party was in power in Colombia in 1948. The murder of Liberal Leader Jorge Eliecer Gaitan triggered the Bogotá riots that year. Romulo Betancourt's sympathies and political convictions lay with the Colombian liberals. What influence could Betancourt bring to bear upon anyone influential in the reigning Conservative Party?

The hostility between Betancourt and Castro is too well publicized to be ignored. Castro's puppet radios blast Betancourt daily as the "pseudo-president of Venezuela" who is "servile" to Washington. In Venezuela, the Fidelistas join their Communist mentors in violent attacks on the Betancourt government.

At the OAS conference in Punta del Este in August, Cuba's Che Guevara, in an attempt to undermine Venezuelan prestige and drive a wedge between the United States and Venezuela, read portions of a stolen United States Embassy document which relate some of the economic difficulties which Venezuela faces. Venezuela responded with a scathing statement:

The offensive launched by the Cuban delegate against the Government of Venezuela can only be explained by a desire to create diversions in order to obscure the submission of the Cuban Government to Chinese-Soviet interests to the discredit of American traditions and prevailing international agreements.

Mr. ROUSSELOT admits that "Castro followers fight Betancourt politically in Venezuela." Then he comes up with the following incredible reasoning:

Betancourt and Castro have parted company in respect to their rival programs to bring about communism in Latin America. [Betancourt] believes he can sneak communism into power by fooling the liberals into helping him. For that reason he puts on the masquerade of anticommunism. Castro, on the other hand, is seeking to bring communism through terrorism. Moscow sits back complacently and lets both of them try their techniques.

Shades of Alice in Wonderland. No one who knows the fierce Communist-Castro fight to overthrow Betancourt can take this seriously. Furthermore, no one who understands Communist strategy can believe that Moscow would welcome a death struggle between two of its adherents in Latin America, if indeed Venezuela were in the Communist camp.

In fact, Betancourt is opposed because he represents a powerful democratic barrier and a threat to Castro in Cuba.

Apropos of the stolen U.S. Embassy document, I will diverge for a moment to correct a serious distortion.

Mr. ROUSSELOT quotes a passage from the memorandum which points out the administrative difficulties in Venezuela. Mr. ROUSSELOT quotes the passage for the same reason Communist Che Guevara did—to discredit the Betancourt regime.

Those familiar with Venezuela's history know that its present administrative problems stem from the heritage of decades of maladministration. In fact, our Embassy wrote a sympathetic memorandum, listing the deficiencies and pointing out the importance of a sound technical assistance program to help Venezuela to overcome present problems. The Betancourt regime recognizes the urgent need for corrective measures and has exerted itself to reform conditions which have existed through decades of dictatorships.

Furthermore, Mr. ROUSSELOT attempts to leave the impression that an author of the Embassy document was castigated for criticizing the Venezuelan regime. I do not think I misread Mr. ROUSSELOT's intention. He said:

What has happened to one courageous man who worked on the preparation of this report, knowing full well that it would be unwelcome to his superiors?

Perhaps it is a coincidence, but it is interesting to know that John M. Gates [sic], Jr., was recalled to Washington subsequent to the issuance of this report and a new First Secretary appointed.

The staff memorandum in its entirety was a sympathetic examination of the problems faced by Venezuela's first democratically elected government. I do not know what powers of mind-reading Mr. ROUSSELOT may possess to infer that "the courageous man who worked on the preparation of this report" knew "full well that it would be unwelcome to his superiors." I am certain, Mr. ROUSSELOT did not discuss the matter with those involved.

Furthermore, Mr. John Cates, far from being recalled to Washington "subsequent to the issuance of this report"—the implication being that he had displeased his superiors in the Department of State—actually had completed his 4-year tour of duty in Caracas, was rotated back to Washington as a routine matter, placed in a key position on Latin American affairs and was on duty in Washington several weeks before Che Guevara publicized the matter in question.

Mr. ROUSSELOT's version of the Betancourt government's action on matters of foreign policy of interest to the United States required examination.

Mr. ROUSSELOT informs us:

Adlai Stevenson is a trusting admirer (of Betancourt) although the wavering vote of the Venezuelan Ambassador in the United Nations on issues important to the United States should put him on his guard.

First of all, Dr. Carlos Sosa Rodrigues, Venezuela's Ambassador to the United Nations, is not even a member of Betancourt's Accion Democratica. He is an independent, a member of one of the richest families in Venezuela, and conservative politically.

In the second place, what "wavering vote"? Let us examine the record.

During the 15th regular session of the General Assembly the U.S.S.R. introduced a resolution to consider the U–2 and RB–47 incidents. Venezuela voted with the United States against the resolution; the Dominican Republic under

Trujillo, whom Mr. ROUSSELOT seems to admire so much, abstained.

Again, on a recommendation to allocate the Cuban complaint against the United States to committee—to keep it off the the General Assembly floor where the Cubans wanted it in order to make propaganda against the United States—Venezuela supported the United States position, while the Dominican Republic—which Mr. ROUSSELOT claims "gave 100 percent support to the United States in all security situations"—abstained.

During that same session Venezuela voted with the United States on the question of Chinese representation, although other allies in the Western camp, such as Ireland, Norway, Denmark, and Sweden, voted with the Soviet Union's position to consider the Chinese question.

Venezuela under Betancourt also has voted with the United States on such disputed issues as the Hungarian question and the resolution reaffirming United Nations objectives in Korea and calling upon UNCURK to continue in accordance with past General Assembly resolutions.

It is true that Venezuela does not vote down the line with the United States on every issue. I do not think that we expect blind support from our friends as the Russians demand from their satellites. On matters concerning colonialism, nuclear testing, and underdeveloped nations, Venezuela takes an independent course, as do many other nations in the Western Alliance.

Venezuela has, for instance, voted against the United States position and for a resolution calling upon the administering authority to organize a plebiscite in western Samoa. True, the Soviet Union supported the plebiscite. But so did Guatemala, Ecuador, Haiti, and the Dominican Republic.

On a resolution requesting France to refrain from nuclear tests in the Sahara, which the United States opposed and the Soviet Union supported, Venezuela cast its vote against the position taken by the United States. But so did Mexico, Costa Rica, Panama, Iceland, Ireland, and Canada, among others.

The fact is that on key issues affecting Soviet-Western relations Venezuela has supported the Western position.

In the present General Assembly, Dr. Marcos Falcon Briceno, Venezuelan Foreign Minister, backed a single Secretary General, condemned the Soviet Union for resumption of nuclear tests, and urged self-determination for Berlin.

I have dwelled at some length on the question of Venezuela in the United Nations because a seemingly casual remark like Mr. ROUSSELOT's can have far-reaching and damaging effects upon our foreign policy.

One more assertion in the foreign policy field by Mr. ROUSSELOT cries out for clarification. According to Mr. ROUSSELOT:

Betancourt had promised that if we met his wishes in the Dominican matter [OAS sanctions for the Trujillo-inspired attempt on President Betancourt's life], he would back the United States in a strong OAS declaration against Castro. But no sooner had we kept our part of the unsavory deal than Betancourt welshed on his pledge. He joined in a move to pass a weak, anti-Communist declaration which studiously refrained from citing Castro by name.

As a matter of record, the Dominican sanctions were voted unanimously by the 20 American Republics. There was never any doubt that the American nations would condemn the Dominican dictator for his attempt upon the life of a democratically elected president of a sister republic. President Betancourt had no need to make "a deal" for U.S. support on that issue.

As for the OAS declaration to condemn Castro's Cuba, the United States encountered firm resistance almost everywhere in the Western Hemisphere. The key big powers—Argentina, Brazil, and Mexico—opposed the move. Not that they, or Venezuela, or any of the smaller nations present, approved of Castro. But they believed that an OAS condemnation at that time would not have the desired effect of turning Castro away from the Soviet Union.

Moreover, democratically elected governments in Latin America must be responsive to public opinion to remain in office. Unfortunately, at the time of the San Jose conference, most of the Latin American governments were in a difficult position. Their people still regarded Fidel Castro as the Robin Hood of the Caribbean. In the judgment of most of the Latin American regimes—many of them quite conservative—direct condemnation of Fidel Castro would have opened a Pandora's box of domestic problems by handing their leftwing elements ammunition to attack the moderate governments.

As a matter of fact, Betancourt demonstrated great courage with regard to the anti-Communist resolution which the OAS conference did pass. The Venezuelan Foreign Minister was then Ignacio Luis Arcaya, a member of the leftist political party, URD, which had supported Betancourt's opponent, Larrazabal, for the Presidency. Arcaya was a member of Betancourt's cabinet in accord with the coalition agreement signed by the three major Venezuelan parties prior to the elections in an effort to assure political peace in Venezuela during the reorganization following 10 years of dictatorship. Arcaya refused President Betancourt's orders to sign the resolution on behalf of Venezuela. Betancourt substituted him on the spot and ordered his replacement to sign. This act took courage, for URD withdrew from the coalition government and moved into the opposition.

Mr. ROUSSELOT's statement also distorts the Venezuelan economic picture. He states:

Perez Jimenez literally rebuilt the country out of his national revenues in an extraordinary public works program and still was able to accumulate a surplus.

To quote Mr. ROUSSELOT further:

At the end of 1957, on the eve of Perez Jimenez' departure, the Treasury of Venezuela had a surplus of Bs2,384 million. This was the nest egg which Larrazabal and Betancourt inherited when they came to power. Against this huge surplus, there was outstanding virtually no foreign debt and a domestic debt of only Bs1 billion.

In 3 years Betancourt has succeeded in squandering all this inherited surplus and Bs5 billion more which his regime has raised through taxation.

The true situation is revealed in the Quarterly Review of the Bank of London and South America for January 1961. It says:

With the overthrow of the dictatorship, hitherto unsuspected economic problems were revealed. Despite the large fiscal revenue from the petroleum industry—which had been swollen in 1956–57 by Bs1,200 million from the auctioning of new concessions, for the first time since 1943—maladministration and extravagance in the public works program had led to the accumulation of obligation estimated at Bs4,500 million. At the same time, external influences on the economy became unfavorable because of the rapid change in the international petroleum situation. As conditions returned to normal after the Suez crisis it became clear that the growth of productive capacity had substantially outstripped the rise in world consumption. The present Venezuelan Government, though dedicated to a program of reform, appears to be pursuing its aims with moderation. It has been extremely unfortunate in taking office at a period of unprecedented economic difficulties.

Let us examine Venezuela's economic situation from another objective source, the International Bank for Reconstruction and Development. Of Perez Jimenez' vaunted "extraordinary public works programs," the IBRD mission headed by Henry R. Labouisse reports:

Before the change of government in 1958, a large part of Government investment was concentrated on the development of the central, notably the Federal district. Furthermore, the Government's investment effort was accompanied by waste and lack of planning. As examples of large investments in projects either of low priority or constructed to extravagant standards or both, one may cite the appropriation of over Bs 300 million for 12 luxury hotels and 2 telefericos, over Bs 100 million for military clubs and housing, and Bs 140 million for the Caracas racetrack.

While the racetrack and military club, which resembles the United Nations in New York, and the luxury hotels were going up, the IBRD has this to say about the state of education in Venezuela:

Past governments have not paid sufficient attention to many of those functions which are important for economic development and which involve substantial current expenditures. For example, prior to 1958 expenditures for education and training were not accorded a high priority.

In fact during the school year 1957–58, when the move toward constitutional government took place, only 57 percent of school-age children were actually attending school. Furthermore, retention rates had been so low that relatively few of those who had been in school in previous years had attended for more than a year or two. Thus in 1957–58 more than half of total enrollment was to be found in the first two grades while only some 6 percent were in the sixth grade.

The present Government has done a remarkable job in rapidly enrolling the backlog of school-age children who were without previous education. By the school year 1959–60 it is estimated that some 400,000 of these backlog children had been enrolled while at the same time in each of the 2 years 1958–59 and 1959–60 more than 200,000 or some 75 percent of the children reaching 7 years of age, had also been enrolled in the first grade. Total primary school enrollment

for all grades went up from 751,561 in 1957–58 to 1,067,900.

On maladministration in the Perez Jimenez administration the IBRD reported:

In 1958, the new Venezuelan Government found that there was a great deal of disentangling to be done in the allocation of expenditures among the several parts of the petrochemical project before the exact value of the fixed assets could be established. This work was well under way during the mission's visit. Although it was not possible to state precise amounts by mid-1960, we estimate that, after taking into consideration a fair share of the expenditures on services and facilities used in common with the oil refinery, the investment in the chemical plants * * * will amount to about Bs600 million when completed. This amount is far above the expenditure that should be required—probably three or four times higher—to provide plants of their capacity in Venezuela.

The petrochemical industry is but one of the many lucrative "public works" whose expenditures were diverted. I recommend a reading of the IBRD missions report entitled, "The Economic Development of Venezuela" to anyone who is interested in a complete picture of Venezuela before 1958 and the difficulties facing Romulo Betancourt's government in bringing order out of chaos.

Mr. ROUSSELOT speaks of a "huge surplus" against which "there was outstanding virtually no foreign debt and a domestic debt of only Bs1 million."

On the contrary, as the Bank of London intimates, the unsound accounting systems and a system of short-term borrowing by the ministerial offices and autonomous bureaus resulted in the accumulation of tremendous credits in the hands of nationals and foreigners. In the careful language of the IBRD:

In both 1956 and 1957 petroleum company payments for concessions contributed to very large capital inflows which in fact were permitted to augment the Government's cash balances. At the same time, however, the Government and its autonomous agencies borrowed on short term and medium term to finance investment projects. Although no reliable estimates are available, it is conceivable that the Government's unrecorded indebtedness may have increased by Bs 2 billion in 1956 and 1957, with the largest borrowing concentrated in 1957. An undetermined amount of this debt was owed abroad.

"Where then has the money gone?" asks Mr. ROUSSELOT, referring to the nonexistent surplus in Perez Jimenez' treasury. The money—not the nonexistent surplus, but Venezuela's reserves—has gone to pay off the debts left by the dictator. The provisional Government paid off around Bs 1,900 million and the constitutional government has paid off Bs 100 million, which makes a total of Bs 2,000 million, an amount which has exhausted the fiscal reserves of the country. Betancourt honored the debts to protect the country's credit.

What about the charge that President Betancourt is opposed to private and foreign investment?

Mr. ROUSSELOT states in this regard:

Although he has not yet actually expropriated American property—remember he is still playing the role of an anti-Communist—he has made it so uncomfortable for private enterprise that there has been a flight abroad of over $1 billion of capital during Betancourt's 2½ years.

Capital flight did indeed occur after the overthrow of the Perez Jimenez dictatorship. Some of the money was "hot money." Some of the capital fled because of fear of loss of usurious profits or fear of the modern social reforms which the new democratic government promised. Some of the flight was caused by speculators who thought that Venezuela would establish exchange controls followed by devaluation and that it would be a profitable maneuver to purchase dollars at 3.35 bolívares in order to reimport them and sell them later at 5 or 6 bolívares per dollar.

Of the capital flight, the IBRD says:

Some part of the movement of private capital was a natural response to the ending of the petroleum boom, and this should cause no concern, particularly since exchange reserves had been accumulated with which to finance such outflows. Another segment of this outflow may have resulted from the political uncertainties associated with the transition to a democratic regime in 1958 and early 1959. The acceleration of capital flight which occurred in the latter part of 1959 was however the result of vague, and even exaggerated, fears of measures the government might take to control the economy.

I have attempted to deal with the principal points raised in Mr. ROUSSELOT's statement and to correct the major distortions. It is impossible to untwist all of them.

I have concentrated upon the attack upon President Betancourt. However, the statement did not ignore other sincere Venezuelans who have risked life and fortune for many years to bring democratic and responsible government to Venezuela. Dr. Raul Leoni, President of the Venezuelan Congress, has devoted himself to the establishment of constitutional government in Venezuela. Ambassador Jose Mayobre, who has shown himself to be a sincere friend of the United States, is glibly labeled a "Communist" without any credible evidence.

I cannot help but wonder what prompted Mr. ROUSSELOT's statement. As I suggested at the beginning of this reply, could Venezuela's deposed dictator, Marcos Perez Jimenez, be hovering in the background?

Mr. ROUSSELOT makes the extraordinary statement that "Perez Jimenez has been under constant harassment and legal persecution" in the United States. We have an extradition treaty with Venezuela under which proceedings were instituted to return Perez Jimenez for trial upon charges of embezzlement. The proceedings began in August 1959, and Perez Jimenez is free on $100,000 bail while the decision granting extradition is on appeal.

All during the pendency of the extradition proceeding Perez Jimenez was free to enjoy his $400,000 mansion and the charms of Miami night life. He went fishing on his luxurious cabin cruiser, traveled to New York whenever it suited his pleasure, and even took a vacation in the Hawaiian Islands. Only now, after the Court's determination that he would be extradited, has he been restricted and denied the use of this yacht.

This extradition is not, as Mr. ROUSSELOT suggests, a farce brought for political vengeance. Perez Jimenez himself provided the evidence upon which the proceedings was based. When in his unseemly but prudent haste to escape Venezuela on the night of January 23, 1958—when almost the entire Venezuelan population took to the streets in protest at this brutal rule—the dictator inadvertently left behind one of his suitcases.

The suitcase was crammed full with currency, negotiable bonds, title deeds to real estate in Venezuela, and a number of documents in his own handwriting showing how the funds of the Venezuelan Treasury were siphoned.

From that evidence the Venezuelan authorities were able to reconstruct the theft or embezzlement of approximately $13 million. This charge was buttressed by canceled checks, bank deposit slips, and statements, and papers in the handwriting of Perez Jimenez and of his principal lieutenants.

Extradition in the United States is a judicial proceeding which requires a finding of probable cause that the accused is guilty of the crimes with which he is charged.

The U.S. district court in Miami just a few months ago—after a proceeding that had gone on for nearly 2 years—held that there was probable cause to believe that the embezzlements had been committed.

Perez Jimenez immediately filed a petition for a writ of habeas corpus which has been denied. I might add parenthetically that in doing so he was availing himself of a remedy which he himself abolished in Venezuela during his tenure in power and which the present democratic government of Romulo Betancourt has reinstituted.

I am sure Mr. ROUSSELOT does not mean to imply that the U.S. courts are lending themselves to an improper or vengeful proceeding. The extradition will be determined by the courts of the United States in accord with the law and on the basis of the evidence presented by the Venezuelan Government.

It appears that an attempt to confuse public opinion in the United States is being made for the purpose of saving Perez Jimenez. This endeavor to discredit the present Government of Venezuela can have a dangerous effect upon the conduct of our foreign policy in Venezuela and Latin America and should be thoroughly explored by the appropriate congressional committees when Congress reconvenes.

A Report to the People of Union County, N.J.

EXTENSION OF REMARKS
OF
HON. FLORENCE P. DWYER
OF NEW JERSEY
IN THE HOUSE OF REPRESENTATIVES
Wednesday, September 27, 1961

Mrs. DWYER. Mr. Speaker, if the 1st session of the 87th Congress were to be

evaluated on the basis of what the people were led to expect from it—and this standard is, I believe, a fair one—it would have to be concluded that the record is inadequate and disappointing.

People's expectations were high, and for a number of reasons: The 1960 platforms of both political parties promised action on a wide variety of problems; for the first time since 1952, the President belonged to the party which controlled both House and Senate; the majorities in both Houses were substantial; the session was the longest since the wartime year of 1951; and the President submitted no less than 355 specific legislative requests to the Congress.

Although Congress passed a large volume of legislation, most of it was relatively unimportant. On the big issues—tax reform, education, foreign aid, civil rights, transportation, agriculture, labor, and others—Congress either failed to act at all or drastically revised Presidential proposals.

There are several explanations for Congress' poor record. Most important, perhaps, was the administration's failure to establish priorities and to concentrate on obtaining approval for its most important recommendations. Related to this was the impression created by the administration that it favored quantitative solutions to problems rather than qualitative solutions, that it believed that spending more money and starting new programs would automatically produce desirable results. As the session progressed and it became more apparent that a deficit was inevitable, Congressmen developed a healthy fear of the inflationary effects of an unbalanced budget. This, together with the mood of moderation shared by most Members this year, brought an increasingly negative response to administration requests.

The worsening international situation, and the huge increase in defense spending it required, took Congress' attention away from domestic matters and confirmed Members' reluctance to embark on new and expensive programs.

SOME WORK TO DO

However valid these reasons may be, Congress in 1961 has left an immense amount of work for its second session to do. Since 1962 will be a national election year, political pressures are not likely to make it any easier to obtain sound and constructive legislation.

The first and possibly most controversial issue of the first session was the question of enlarging the House Rules Committee to assure that the majority leadership could bring its legislative program to the floor for a vote, and decision, by all the Members. Together with 21 of my Republican colleagues, I voted for enlargement, and I am convinced our vote was a wise and proper one. It did not, as some feared, open the gates to a flood of big spending programs, but it did serve to place responsibility for the record of the Congress where it belongs—with the majority.

To a considerable extent, the accomplishments of the session just ended can be attributed to two emergency situations: The economic recession earlier in the year and the Berlin crisis which came to a head in the closing weeks of the session.

For instance, temporary extension of unemployment compensation and a temporary program of aid to the dependent children of unemployed workers—both very worthwhile—were the direct results of the effort to fight the recession. The area redevelopment or depressed areas program, which was also passed as an antirecession measure, was far less defensible and I opened it in its final form because of its implicit threat to established industrial areas like our own and because of its failure to direct help to areas needing it most. Only two small projects, by the way, have been started in the more than 5 months the agency has been in existence.

Although somewhat less directly related to the recession, the minimum wage and the omnibus housing bills both benefited from the widespread desire to stimulate the economy by increasing purchasing power. The housing bill presented me with a particularly difficult decision. Having worked hard in our Banking and Currency Committee for several of the programs in the bill, including housing for the elderly, college housing, middle-income housing, and mass transportation, I was nevertheless strongly opposed to the rather bald-faced attempt to pass the bill by loading it with "sweeteners" in the form of benefits for almost everyone. One section of the bill, for example, provided 10 times the amount of funds requested by the President. Consequently, I supported amendments to trim the fat from the bill, but when these failed it seem clear that, on balance, the bill contained so much of importance that it ought to pass.

RESPONSE TO EMERGENCY

The major legislative accomplishments in the fields of national defense and foreign policy likewise depended largely on the existence of an emergency. In direct response to the President's address to the Nation in July on the Berlin crisis, Congress voted $46.7 billion in defense funds, $6.4 billion above last year's appropriation and the largest amount in a single year since the Korean war. Congress also quickly approved the President's request for authority to call to active duty 250,000 reservists for up to 12 months and to extend the service of those currently on active duty for the same length of time. A reorganization of the civil defense agency, which the President transferred to the Pentagon, was supported by Congress, as was the President's request for a huge increase in funds for the National Aeronautics and Space Administration to make possible a speedup in the man-in-space and space satellites programs.

In foreign affairs, the creation of two new agencies—the Peace Corps and the Arms Control and Disarmament Agency—attracted special attention as well as widespread bipartisan support in Congress. While both agencies are frankly experimental, each is a hopeful attempt to take the initiative in a key area of cold war politics. The Peace Corps, which is already helping to channel the talents and energies of young Americans into constructive service in several less fortunate countries which are striving for self-development, will also help prove to a skeptical world that our people are genuinely and unselfishly interested in helping others. The Arms Control Agency, on the other hand, will provide a new and deeper dimension to much of our foreign and defense policy by doing the planning and research and making the technical studies and tests necessary to make certain we know what we are doing in the complex business of disarmament negotiations. I supported both new agencies.

Congress also first, approved an expansion of our valuable cultural and educational exchange programs; second, ratified a convention joining the United States, Canada, and 18 European nations in the Organization for Economic Cooperation and Development which, among other objectives, is designed to help ease our balance-of-payments problem; third, appropriated funds to back up our Latin American economic cooperation program; fourth, extended the food-for-peace program under which we sell farm surpluses for local foreign currencies; and fifth, passed an immigration bill which made permanent the alien orphan adoption program and speeded up the process of reuniting relatives abroad with their families in the United States.

But the most important foreign policy program of all—foreign aid—was one of the year's notable failures and, together with the collapse of education legislation, accounts to a large extent for characterizing the first session as disappointing. The basic aims of the two measures—to put foreign aid on a long-term financing basis and thereby help to overcome much of the waste and inefficiency in the program, and to provide Federal help in building classrooms in areas where overcrowding is most serious—were supported by substantial majorities in both House and Senate. Yet, for reasons that apply to both bills, Congress decisively rejected them.

WHAT WENT WRONG

In both cases, administration proposals were much too ambitious. The foreign aid bill failed to provide an effective means of congressional control of the program, while the educational bill proposed a permanent program including subsidy of teachers' salaries. Moreover, administration supporters refused to compromise on terms that could have assured at least partial victories. A temporary program of Federal aid limited to classroom construction, for example, passed the House last year and could have become law this year. In neither case did administration spokesmen make a convincing demonstration that their objectives were clear and obtainable. Floor leadership of the bills, too, was inadequate and was marked by contradictions and inconsistencies as well as by a failure to cooperate with the minority in writing legislation that would meet national needs.

As a result, foreign aid was limited to a 1-year appropriation, and the only

education bill to pass was a 2-year extension of the existing National Defense Education Act and the program of aid to school districts burdened with nearby Federal establishments.

The list of administration proposals defeated or postponed by the 1st session of the 87th Congress is a long one. The President's comprehensive tax revision recommendations, a few of which I favor but a number of which I find unwarranted, including the plan to repeal the 4-percent dividend credit, were put off until next year. Other major bills met the same fate: oceanography research, medical care for the elderly under social security, a new Cabinet-level Department of Urban Affairs, establishment of a national wilderness preservation system, a program of building college classrooms and providing college scholarships, and improvement of educational television.

Congress also left unfinished the President's request for a retraining program for unemployed workers; it postponed action on the administration's export promotion program; and ignored entirely the President's proposals for major changes in the Federal-State unemployment compensation program. It postponed action on his proposed Youth Conservation Corps, rejected a bill for more effective enforcement of the Welfare and Pension Plans Disclosure Act, and failed to complete action on five bills to aid U.S. migrant farmworkers. Congress refused to consider an administration request for increased postal rates, and took no final action on the President's proposal to make the conflict-of-interest laws more effective.

One of the most serious failure of the Congress this year, for which the administration must share the blame, was the refusal of both to seek action on civil rights legislation, legislation endorsed in the platforms of both political parties.

In addition to the more important measures passed under the impetus of the critical international situation and the recession, Congress completed action on a number of significant bills. The social security laws were liberalized to provide a small increase in the minimum benefits for retired workers, and to permit men as well as women to retire at age 62 on a reduced-benefit basis. The water pollution control program was expanded to help more communities construct sewerage treatment plants. The Community Health Services and Facilities Act provided increased assistance for public health services, nursing home construction, hospital facilities and outpatient services.

SEVERAL ACCOMPLISHMENTS

A new U.S. Travel Office was established to promote foreign travel in the United States. A program to develop ways of converting salt water into fresh water was approved. Residents of the District of Columbia were granted the right to vote in presidential elections. Four of the seven plans by which the President proposed to reorganize regulatory agencies were approved and three rejected. The Justice Department received new antiracketeeer weapons in the form of several bills barring the use of interstate transportation and communications facilities to further illegal purposes. A 3-year program to help control juvenile delinquency also became law. And, after ignoring the need for new Federal judgeships for several years, 73 new positions were quickly created—14 more than the President had requested.

Other, more routine and expected measures, were also approved, including a revised farm program which continues, I believe, to follow the wrong road—the road to high food prices and huge supplies of surplus commodities.

As in every Congress, most of the basic legislative work was done in the various committees. Both my own committees—Banking and Currency and Government Operations—have unusually broad jurisdictions, and our workloads reflected this fact.

In addition to the housing bill and the area redevelopment bill—which, as reported by our committee, was a much better bill than that finally passed by Congress—the Banking and Currency Committee greatly strengthened American small business: First, by increasing the Small Business Administration's business loan authority; second, by improving small business opportunities to obtain Government contracts; and, third, by expanding the supply of long-term loan and equity capital for small business concerns through privately owned small business investment companies. Moreover, we saved taxpayers $4 million annually in interest charges by authorizing the Treasury to adjust its accounts with respect to unredeemed currency issued before 1934. We permitted the Government's Commodity Credit Corporation to use surplus grains to feed wildlife in cases of drought or other emergencies. We approved two bills to strengthen the savings and loan association industry. And we helped place American exporters on an equal basis with foreign competitors by authorizing the Export-Import Bank to protect exporters against political and credit risks, a measure I hope will stimulate lagging American exports and improve our balance-of-payments position.

STUDYING THE GOVERNMENT

Much of our activity on the Government Operations Committee is continuing in nature, in keeping with our "watchdog" responsibilities which cover all aspects of the Federal Government.

This year, for instance, we maintained a close check on foreign aid and military operations, exposing weaknesses and recommending ways of improving programs. We continued to persuade Government agencies to liberalize their information policies and respect the people's right to know. Besides the several reorganization bills and the legislation to create a Department of Urban Affairs, which I previously mentioned, two of our reports were of special importance—a detailed study of the new civil defense program, of immense significance to each one of us, and an investigation of the growing practice in the Federal Government of secretly recording telephone conversations, an unauthorized and potentially dangerous invasion of privacy. As a result of the former study, I introduced legislation to provide a tax deduction for the costs of building fallout shelters and to authorize FHA-insured loans for this purpose.

As ranking minority member, much of my time was devoted to the work of the committee's Intergovernmental Relations Subcommittee. Among other things, we continued our long-range investigation of the Agriculture Department's administration of certain of its price-support programs. We held hearings which helped convince the Department to prohibit the watering of hams, a practice which, in effect, inflated the consumer price of ham by approximately one-third. We studied and recommended to the National Institutes of Health improvements in their administration of health research programs which they have already put into effect and which are estimated to save the Government at least $200,000 a year. And we are presently reviewing certain intergovernmental problems in metropolitan areas.

Recently, we began an intensive study of the consumer protection activities of the Federal Government. Our objectives are to increase the effectiveness of this protection and to improve the coordination of consumer protection activities between Federal, State, and local governments and private agencies. Already, some startling inadequacies have been found. The Food and Drug Administration, for example, reported that this year it was able to examine only one-fifth of 1 percent of the interstate shipments of food to determine whether hazardous levels of pesticide residues were present.

Our subcommittee also completed hearings on legislation which I co-sponsored which would require that all new Federal grant-in-aid programs be formally reviewed by Congress periodically to determine whether they should be repealed, continued, expanded or drastically revised. Because too many Federal grant programs are permitted to continue long after they have served an important purpose, I am convinced this legislation can both save the Government money and improve the Government's service.

However we may feel about individual grant programs, it is clear that Federal grants-in-aid are indispensable to the States. In fiscal year 1959, the last year for which figures are available, New Jersey received $172.7 million in Federal grants, more than half as much—51.4 percent—as our State raised in tax revenues, $336.3 million. Several States received more from the Federal Government than they raised themselves, and Alaska got almost twice as much.

UNION COUNTY IN CONGRESS

Union County, the Sixth Congressional District of New Jersey, is directly affected by what Congress did and did not do this year. The year's most significant success was unquestionably the beginning of a new program of aid to metropolitan areas like our own for the purpose of bolstering commuter mass transportation systems. Although Congress at the last moment reduced funds for this program to the point where it could

barely get started this year, I shall continue to press the administration to reallocate money previously appropriated for other, far less important projects and put it to work in this highly critical field.

Approval of the new program was particularly gratifying to me since I was a cosponsor of the legislation and because I have worked hard on this problem for more than 3 years. A major factor in winning congressional approval of the program, by the way, was the timely endorsement of the Advisory Commission on Intergovernmental Relations in its comprehensive commuter transportation study, which it had undertaken at my request. Better transportation is the key to halting the deterioration of our cities and making metropolitan areas more pleasant, attractive, and efficient places in which to live and work. I hope, therefore, the new program will receive the imaginative and energetic administration it needs.

For the first time, the serious flood control situation on the Elizabeth River received concrete attention from Congress. At my request, Congress appropriated funds for a Corps of Engineers' survey of flood damage along the river which will, I hope, result in Federal participation in constructing flood protection facilities. The people of Elizabeth, Hillside, and Union in particular have suffered increasingly from the frequent flooding of the Elizabeth River and, unless effective protection is provided soon, will suffer even greater damage as urbanization of this heavily populated area continues.

This year, too, brought the results of several years of constant effort to improve post office facilities in Union County. After years of investigation, planning, and necessary preliminary work, new and remodeled post office buildings and substations were begun or completed in a number of our communities, including Elizabeth, Mountainside, Fanwood, Scotch Plains, Garwood, Roselle Park, Springfield, and Summit.

Changes in the immigration law, I am happy to report, will benefit numerous Union County families. Congress authorized the wives and husbands of permanent residents and the immediate families of citizens to come to the United States without regard to existing quota limitations. This will eliminate the lengthy delays experienced by many in seeking to reunite their families. Acting immediately on the basis of the new law, I have already received dozens of reports from American consulates abroad informing me of their cooperation in speeding the issuance of immigration visas.

JET NOISE ARRIVES

At the beginning of this year, most of Union County was deeply concerned at reports that the Port of New York Authority intended to build a huge new jet airport in the Great Swamp of Morris County, adjacent to our own county, and planned to permit jet aircraft to operate out of Newark airport. Although we have been successful in blocking the Great Swamp jetport, jets have now arrived at Newark. Despite my own efforts, and those of many others, to convince the Governor of New Jersey that jets should not be permitted at Newark until methods of eliminating noise hazards had been perfected, the Governor allowed the port authority to initiate jet service on a limited basis. According to recent reports, however, many more jet flights will be scheduled from Newark in the near future. I shall continue to urge the Governor and the port authority to insist that every possible noise prevention technique be used to protect airport neighbors from the hazards of jet noise.

Among the several methods I have used to keep in close touch with the people I represent and the problems of our district—including my annual congressional questionnaire, my regular report to the people, office hours in the district, and so forth—a new one this year, an industrial survey, proved very worthwhile. At the height of the recession, I prepared a detailed questionnaire covering major aspects of the economic situation in the county, employment and production trends, labor relations, taxes and community services, and prospects for the future, and asked the principal manufacturers and union locals to reply. Their answers revealed that our area economy is strong, that it suffered somewhat from the recession, but that improvement was expected and long-range growth anticipated.

Union County has both economic assets and liabilities, and I found the survey results very helpful in determining how best I could contribute to the future well-being of our people.

As always, my staff and I, both in Elizabeth and in Washington, have obtained a great deal of satisfaction from the daily business of helping the people of Union County. While no statistics are available, we have welcomed literally thousands of constituents who wrote and visited us in Washington and who sought help with a multitude of business, labor, civic, and personal problems with the Federal Government. I have always considered this the most rewarding aspect of my work as your Representative in Congress, and I want to take this opportunity once again to remind you that, no matter what your request, I shall always try to be of service.

Two other assignments, related to my work in Congress, deserve mention in this summary report of the first session. The Advisory Commission on Intergovernmental Relations, of which I am one of three Members from the House of Representatives, undertook a number of studies aimed at increasing cooperation between Federal, State, county, and local governments in such fields as estate taxes, Federal grants-in-aid to State and local governments, State, and local taxation of private property located on Federal areas, and intergovernmental cooperation in tax administration. As a sponsor of the legislation which created the Commission, I have been extremely pleased with the quiet but effective way in which this new and unique agency of government has gone about solving some of the thorniest, if least glamorous, intergovernmental problems.

STUDYING MASS TRANSPORTATION

Its best work this year, however, was done in two studies, which the Commission made at my request, in fields of special interest to Union County. One study dealt with ways of improving governmental cooperation in metropolitan areas and the other attacked the fundamental problem of intergovernmental responsibilities for mass transportation in metropolitan areas.

My position as a member of the board of directors of Gallaudet College in Washington, which is the only institution of higher learning in the world for deaf students, continued to be a rewarding one. Great progress has been made in expanding the facilities of the college and, consequently, its service to young people throughout the country who have been deprived of their hearing. Congress also gave this cause a boost when it appropriated $3 million for training more teachers of the deaf.

In concluding this report, I want to express my thanks to the more than 500,000 residents of Union County whom it is a privilege to serve and who have continued to make it possible for me to represent them at the Nation's Capital. While I have tried to render a comprehensive report on the work of Congress in 1961, space limitations prevented me from providing adequate detail for those of you who are interested in particular issues. Any of you who desire additional information or wish to delve more deeply into any of the matters I have mentioned, please write to me either in Elizabeth or in Washington and I shall be delighted to furnish you with additional information.

A Salute to the Ladies of Hadassah

EXTENSION OF REMARKS

OF

HON. SEYMOUR HALPERN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 27, 1961

Mr. HALPERN. Mr. Speaker, it is again my privilege to bring to the attention of this House the commendable spirit and notable accomplishments of the dedicated ladies of Hadassah, the Women's Zionist Organization of America.

Through the years I have marveled at the singular lack of selfishness and the magnificent spirit of devotion to a cause which characterizes this organization. I am sure my colleagues in this House join me in expressing a sense of honor to number among their constituents such public-spirited ladies.

In August, Hadassah held its 47th annual convention in Denver, Colo. This year was an especially notable one because of the impressive dedication, on June 6, 1961, of the Hadassah-Hebrew University Medical Center near Jerusalem.

Hadassah was founded a half century ago for the purposes of conducting health work in Israel—then Palestine—and of fostering Jewish ideals in the

American-Jewish community. With the opening of this magnificent medical center, another milestone has been reached in Hadassah's health-for-peace program, dedicated to the marshaling of every possible resource in a battle to defeat the scourges of mankind.

Hadassah-Hebrew University Medical Center is a vast complex of buildings, housing a 500-bed hospital, a medical school, a nurses' training school, clinical and preclinical laboratories, research laboratories, and a mother-and-child pavilion. Dedicated as it is to the principles of humanitarianism, it is a magnificent blending of the latest in modern technology and the oldest of philosophies—love of mankind.

I was privileged to visit the site of the center during my trip to Israel early in 1960. I was impressed then, and I am sure that the finished product is fabulous.

In addition to the tremendous scientific achievements which will be made under the aegis of this medical center, the ladies of Hadassah have also made possible one of the most significant contributions ever made to the development of modern art. The synagogue which has been built on the grounds of the center features 12 magnificent stained glass windows created by one of the geniuses of contemporary art—Marc Chagall. These windows represent the best in contemporary technique and reflect the inspiration of religious faith. It is not surprising that the ladies of Hadassah should have been responsible for such a flawless merger of art and science, for a vital part of their philosophy has always been that cultural contributions go hand in hand with scientific advancement.

Mr. Speaker, I should like to call the attention of the Members of this House to the fact that these magnificent windows will be on display in New York City's Museum of Modern Art, beginning November 5 of this year. In January of 1962, they will be sent to Israel to take their place as the living monument to the indomitable spirit and devotion of the ladies of Hadassah.

It takes no small amount of determination—and capital—to create such an institution as Hadassah-Hebrew University Medical Center. With the exception of the $4 million medical school fund which was raised by the university, the members of Hadassah are solely responsible for almost $20 million which has gone into the construction of this center. This represents voluntary contributions on the part of the membership, and the ladies are to be commended for their generosity and sense of purpose, even though I am sure there was considerable sacrifice on their part.

But, again, it is axiomatic that any project of this organization should be carried out with devotion to the cause and little regard for the personal sacrifices which may have been involved. I am certain that the organization's determination to fulfill its purpose will remain just as strong and that the next project undertaken will be just as successfully and energetically completed.

The idealism which has inspired the ladies of Hadassah to exert every possible effort to bring to Israel the most modern medical care facilities, educational opportunities, and public health institutions, is equaled only by their interest and participation in community affairs throughout our own country. Hadassah members have made significant contributions to the enhancement of American spiritual and moral values, and their guiding principle has always been preservation of human rights and freedoms.

Mr. Speaker, I should also like to congratulate their extremely able and personable president, Mrs. Seigfried Kramarsky, of New York, on her reelection. Her untiring efforts and inspiring leadership have helped to guide Hadassah to the heights of unselfish greatness.

I salute the wonderful ladies of Hadassah, Mr. Speaker, and I am confident that my colleagues join in heartfelt appreciation of their achievements and goals.

Goals of the New Frontier: The Peace Corps

EXTENSION OF REMARKS
OF
HON. HENRY S. REUSS
OF WISCONSIN
IN THE HOUSE OF REPRESENTATIVES
Wednesday, September 27, 1961

Mr. REUSS. Mr. Speaker, "Ask not what your country can do for you—ask what you can do for your country."

These ringing words in President Kennedy's inaugural address caught the imagination of our country.

A direct, personal response to this challenge was offered by President Kennedy's proposal for a Peace Corps—a band of dedicated, trained Americans who have volunteered to go abroad to help the people of less fortunate nations in the interests of world peace.

It is a tribute to the President's perception of the mood of America that the Peace Corps has received such enthusiastic support. It is a tribute to the people of the United States that they have responded to the Peace Corps challenge in a way that demonstrates to the world that Americans are motivated by moral purpose, that they are generous and that they have not lost the pioneer spirit of neighborliness.

I am proud that the Democrats in Congress supported Peace Corps legislation solidly and forcefully, and that it is through their efforts that the Peace Corps has been established on a continuing basis.

Because the time in the affairs of the world was late, and because the previous administration had failed to rise to the challenge of the Peace Corps idea, President Kennedy established the Peace Corps by Executive order on March 1.

This has made a quick start possible, and it is now likely that as many as 1,000 Peace Corps volunteers will be in training or overseas by January 1. Already there are some at work abroad.

There are 62 in Colombia where they will work for the improvement of conditions in Colombian villages.

Sixteen men and women are on their way to the island of St. Lucia in the West Indies Federation, where they will help to improve agricultural methods, teach personal health and establish farm youth groups.

Fifty volunteers are in Ghana teaching mathematics, physics, English, biology, and chemistry in secondary schools.

By the end of this month 35 volunteers will be at a training camp on the slopes of Mt. Kilimanjaro in Tanganyika. They will survey farm-to-market roads for the Government of Tanganyika. Four geologists will map unknown Tanganyika areas and four civil engineers will design bridge, culvert and road construction.

Thirty-eight volunteers trained at Harvard University are now in Nigeria, where they will teach in secondary schools. By the end of October, 48 more will begin community development work in Chile. A month later, 130 will be helping to teach English and science in Philippine village schools.

Thirty-two volunteers are now in training at Putney, Vt., for service in east Pakistan. Twenty-nine are at Colorado State University training for west Pakistan, 35 at Michigan State University for Nigeria and another 50 at the University of California at Los Angeles for Nigeria. About 35 people will begin training October 2 at Ohio State University for agricultural extension work in India.

Volunteers are now being selected for service in Malaya, Thailand, and Sierra Leone. By June 30, 1962, the Peace Corps expects to have 2,700 volunteers in training or overseas.

Practicality has been the goal of planning for Peace Corps operations. Its volunteers have been selected with extreme care, and its training programs have been rigorous. Projects have been weighed carefully to make certain that they will really benefit the people of the host country and that the Peace Corps can furnish the skills requested by foreign governments.

But all of this caution and the emphasis upon being practical cannot disguise the fact that the energizing force behind the Peace Corps volunteers is idealism.

Some opponents of the Peace Corps have been unable to understand idealism. One was openly incredulous that any sane American would give up a good job to go overseas to live in humble circumstances at low pay just to help other people. Others sneered at the idea of unselfish service and called the whole plan a boondoggle.

The Peace Corps will not revolutionize the world, but it is worth trying.

We Democrats are determined to keep our defenses strong. We are determined to preserve freedom in the world and honor at home. But at the same time we believe in idealism. We have not given up hope. We shall always stand ready to extend the helping hand of friendship, symbolized in this session of Congress, and throughout the world, by the Peace Corps.

Résumé of Activities of the Committee on House Administration, 1st Session, 87th Congress

EXTENSION OF REMARKS
OF

HON. OMAR BURLESON

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 27, 1961

Mr. BURLESON. Mr. Speaker, I should like to submit a summary of the major legislative accomplishments of the Committee on House Administration for the 1st session of the 87th Congress.

During this session 256 items of legislation were referred to the Committee on House Administration. Of these 99 were subsequently approved by the Committee and reported favorably to the House.

At the first meeting held in the current Congress the chairman appointed four standing subcommittees: Accounts, Elections, Printing, and Enrolled Bills—Library—Memorials. At the same time three special subcommittees were appointed to deal with, first, electrical and mechanical office equipment; second, parking; and third, audit of the contingent expenses of the House.

Under the chairmanship of Hon. SAMUEL N. FRIEDEL the Accounts Subcommittee conducted hearings on requests of 18 standing committees and 2 select committees for funds to finance authorized studies and investigations during the 87th Congress, as follows:

Committee	Authorizing resolution	Funds resolution	Funds approved	Amount requested	Amount approved	Period (years)	Foreign travel
Agriculture	H. Res. 86	H. Res. 94	Feb. 28, 1961	$50,000	$50,000	2	Yes.[1]
Armed Services	H. Res. 78	H. Res. 79	do	150,000	150,000	2	No.
Banking and Currency (Housing).	H. Res. 143	H. Res. 144	do	100,000	100,000	1	Yes.[3]
Banking and Currency	Rule XI(4)	H. Res. 200	Mar. 15, 1961	5,000	5,000	2	No.
District of Columbia	Rule XI(5)	H. Res. 189	do	10,000	10,000	2	No.
Education and Labor	H. Res. 141	H. Res. 149	Feb. 28, 1961	633,000	633,000	2	Yes.[2]
Foreign Affairs	H. Res. 60	H. Res. 61	do	150,000	150,000	2	Yes.
Foreign Affairs		H. Res. 348	June 29, 1961	5,000	5,000	2	No.
Government Operations	Rule XI(8)	H. Res. 70	Mar. 1, 1961	640,000	640,000	1	Yes.
House Administration	Rule XI(9)(k)	H. Res. 158	Feb. 28, 1961	20,000	20,000	2	No.
House Administration	Rule XI(9)(k)	H. Res. 357	June 29, 1961	10,000	10,000	2	No.
Interior and Insular Affairs	H. Res. 92	H. Res. 128	Feb. 28, 1961	60,000	60,000	2	Yes.[3]
Interstate and Foreign Commerce.	H. Res. 108	H. Res. 165	do	435,000	435,000	2	Yes.
Interstate and Foreign Commerce.	H. Res. 420	H. Res. 439	Sept. 7, 1961	150,000	150,000	2	Yes.
Judiciary	H. Res. 56	H. Res. 68	Feb. 28, 1961	200,000	200,000	1	No.
Judiciary	Public Law 86-272.	H. Res. 204	Mar. 15, 1961	165,000	150,000	1	No.
Merchant Marine and Fisheries.	H. Res. 98	H. Res. 99	Feb. 28, 1961	75,000	75,000	2	Yes.
Post Office and Civil Service.	H. Res. 75	H. Res. 76	do	100,000	100,000	2	No.
Public Works	H. Res. 23	H. Res. 136	do	950,000	950,000	2	Yes.[4]
Do	do	H. Res. 433	Sept. 7, 1961	150,000	150,000	2	Yes.[4]
Science and Astronautics	H. Res. 55	H. Res. 85	Feb. 28, 1961	300,000	300,000	2	No.
Small Business	H. Res. 46	H. Res. 148	do	580,000	580,000	2	No.
Un-American Activities	Rule XI(18)	H. Res. 167	Mar. 1, 1961	331,000	331,000	1	Yes.
Veterans' Affairs	H. Res. 49	H. Res. 50	Feb. 28, 1961	50,000	50,000	2	Yes.[2]
Do	do	H. Res. 392	Aug. 10, 1961	100,000	100,000	2	No.
Ways and Means		H. Res. 291	June 13, 1961	25,000	25,000	2	No.
Select Committee To Investigate Export Control Act of 1949.	H. Res. 403	H. Res. 453	Sept. 19, 1961	60,000	40,000	2	Yes.
Total				5,354,000	5,319,000		

The House of Representatives has authorized travel outside the United States with the following limitations:
[1] By subcommittees of not to exceed 5 members.
[2] To any commonwealth (of the United States) or possession thereof.
[3] Territories and possessions of the United States, Puerto Rico, the Trust Territory of the Pacific Islands, and the Pacific flag areas of the United States.
[4] Canada; and 2 subcommittees not exceeding 6 members and not exceeding 2 staff members each, as authorized by the chairman of the committee to do so, are authorized to travel outside the United States in connection with highway conferences.

In this report no attempt will be made to list bills or resolutions considered by the committee other than those which affect the entire membership of the House or those which are of general public interest. As a matter of fact a large proportion of the legislation considered by the Committee on House Administration is primarily connected with the administrative functions of the House.

House Resolution 219, authorizing an increase in the basic clerk hire of Members of the House of Representatives by an additional $3,000 per annum, and authorizing one clerk in addition to those to which each Member is entitled by law, was approved by the committee and passed by the House on March 15, 1961.

The Subcommittee on Accounts approved, and the full committee authorized a favorable report on House Joint Resolution 538, which would allow each Member to be reimbursed for transportation expenses incurred by him in traveling on official business between Washington and his congressional district, such reimbursements to be in addition to mileage to which a Member is otherwise provided by law. This legislation would also provide reimbursement of travel expenses between Washington and each Member's congressional district for two round trips for one staff member, or one round trip for each of two staff members in each fiscal year. The proposed legislation did not reach the stage of final consideration in the House before adjournment.

Many resolutions were referred to the committee which would authorize additional personnel for committees and offices of the House and would provide increases in compensation.

Hearings were held on many subjects on which action was postponed until the second session. One of more than routine interest was the proposal, on which hearings have been held in many recent Congresses, to provide a residence for pages of the House and Senate. Seven bills are pending on this subject.

The special Subcommittee on Electrical and Mechanical Office Equipment, under the chairmanship of Hon. PAUL C. JONES, of Missouri, inspected and approved several new models of various types of office equipment for Members, and authorized the Clerk of the House to add these to the "approved list" of such equipment. In this connection the committee further recommended the enactment of House Joint Resolution 392—Public Law 87-107. This provided additional electric typewriters for Members of the House, and in certain cases, depending upon the population of a Member's district, provided an additional $500 allowance for such equipment.

Probably the most important and time-consuming legislation confronting the Committee on House Administration during the first session of the 87th Congress was the question referred to it of the right of J. EDWARD ROUSH or George O. Chambers to a seat in the 87th Congress. The Subcommittee on Elections, under the chairmanship of Hon. ROBERT T. ASHMORE, conducted a thorough investigation of the matter, including a recount of all the ballots cast for the respective candidates for Representative in Congress in the Fifth District of Indiana at the general election of November 8, 1960. After several months of intensive study and investigation, the committee reported to the House of Representatives on June 13, 1961—House Report 513—the result of its findings, namely, that J. EDWARD ROUSH was duly elected a Member of the House of Representatives from the Fifth Congressional District of the State of Indiana in the 87th Congress, and was entitled to a seat therein.

Further, the committee recommended—House Resolution 340—that payment be authorized both to Mr. ROUSH and Mr. Chambers covering compensation provided by law for Members of the House of Representatives for the period beginning January 3, 1961, and ending on the date of the adoption of the resolution—House Resolution 339—declaring that Mr. ROUSH was duly elected.

The Subcommittee on Printing, of which Hon. WAYNE L. HAYS is chairman, reported favorably to the House 68 resolutions authorizing the printing of various documents, manuscripts, and hearings, of which 14 were legislative proposals originating in the Senate. The majority of requests for such printing resulted from demands upon the Committee on Un-American Activities in the House, and the Internal Security Subcommittee of the Senate Judiciary Committee for copies of documents relating

to communism and subversive tactics threatening the security of the United States.

The committee authorized a revision and reprinting of the document entitled "The Capitol: A Pictorial Story of the Capitol in General and the House of Representatives in Particular," which it is hoped to have available for Members early in the 2d session of the 87th Congress.

A manuscript written by Dr. George B. Galloway, senior specialist in American Government, Legislative Reference Service, Library of Congress, was authorized to be printed as a House document, under the title "History of the House of Representatives."

Following is a list of the resolutions authorizing printing in the 1st session of the 87th Congress:

H. Con. Res. 12. Concurrent resolution authorizing the printing of additional copies of House Document 412, 85th Congress—"The Capitol."

H. Con. Res. 51. Concurrent resolution to print as a House document the publication "Facts on Communism—Volume II, the Soviet Union, From Lenin to Khrushchev" and to provide for the printing of additional copies.

H. Res. 91. Resolution authorizing the printing as a House document certain material relating to the Fryingpan-Arkansas project.

H. Con. Res. 81. Concurrent resolution to provide for the printing of a House document.

H. Res. 104. Resolution authorizing the printing of additional copies of House Report No. 2237, 86th Congress, 2d session.

H. Con. Res. 142. Concurrent resolution authorizing the printing of additional copies of the report "Communist Target—Youth—Communist Infiltration and Agitation Tactics."

H. Res. 201. Providing for additional copies of House Document No. 118, 86th Congress, 1st session, entitled "The House Committee on Un-American Activities, What It Is—What It Does."

H. Res. 250. Providing for the printing as a House document the report of the Judicial Conference of the United States, held March 13, 14, 1961, at Washington, D.C.

H. Res. 251. To provide for the printing of the Constitution of the United States, with an index and ancillaries, as a House document.

H. Res. 259. Authorizing the printing as a House document of a compilation of General Accounting Office findings and recommendations for improving Government operations; and providing for additional copies.

H. Con. Res. 307. Providing for additional copies of a publication entitled "Soviet Total War—Historic Mission of Violence and Deceit," 85th Congress, 1st session.

H. Con. Res. 308. Providing for additional copies of parts 1, 2, and 3 of hearings entitled "Communist Training Operations—Communist Activities and Propaganda Among Youth Groups."

H. Con. Res. 309. Providing for additional copies of hearings entitled "The Northern California District of the Communist Party—Structure—Objectives—Leadership."

H. Con. Res. 310. Providing for additional copies of a study entitled "Legislative Recommendations by House Committee on Un-American Activities—Subsequent Action Taken by Congress of Executive Agencies—A Research Study by Legislative Reference Service of the Library of Congress."

H. Con. Res. 311. Providing for additional copies of H. Document No. 336, 86th Congress, 2d session, entitled, "Facts on Communism and volume I, The Communist Ideology."

H. Res. 292. Providing for additional copies of a consultation entitled, "Language as a Communist Weapon."

H. Res. 293. Providing for additional copies of testimony of Peter S. Deriabin, former officer of the Union of Soviet Socialist Republics' committee of state security (KGB) entitled, "The Kremlin's Espionage and Terror Organizations."

H. Res. 294. Providing for additional copies of staff consultations entitled "The Ideological Fallacies of Communism."

H. Res. 295. Resolution providing for additional copies of hearings entitled, "Communism in the New York Area—Entertainment," 85th Congress, 2d session.

H. Res. 296. Resolution providing for additional copies of a consultation with Edward Hunter, author and foreign correspondent, entitled, "Communist Psychological Warfare—Brainwashing," 85th Congress, 2d session.

H. Res. 297. Providing for additional copies of H. Doc. 119, 86th Cong., 1st sess., entitled, "Patterns of Communist Espionage."

H. Con. Res. 320. Concurrent resolution authorizing the printing of the inaugural addresses of the Presidents as a House document and providing for additional copies.

H. Con. Res. 327. Authorizing the printing of additional copies of H. Doc. 198 of the 84th Cong., entitled "The Commission on Intergovernmental Relations."

H. Res. 349. Authorizing the printing of "United States Defense Policies in 1960" as a House document.

H. Con. Res. 342. Authorizing the printing as a House document of the tributes extended to the Honorable Sam Rayburn, and providing for additional copies.

H. Con. Res. 364. To print as a House document the publication "World Communist Movement—Selective Chronology 1818–1957, volume 1," and to provide for the printing of additional copies.

H. Res. 397. Providing for additional copies of House Report No. 2228, 86th Congress, 2d session, entitled "The Communist-Led Riots Against the House Committee on Un-American Activities in San Francisco, Calif., May 12–14, 1960."

H. Res. 398. Providing for additional copies of House Report No. 2237, 86th Congress, 2d session, entitled "Annual Report for the Year 1960," prepared by the Committee on Un-American Activities."

H. Res. 408. Authorizing the printing of additional copies of the report, House Report No. 851, on H.R. 8400.

H.J. Res. 558. Providing for printing copies of "Cannon's Procedure in the House of Representatives."

H. Con. Res. 384. Authorizing the printing of additional copies of the report "Communist Target—Youth—Communist Infiltration and Agitation Tactics."

H. Con. Res. 385. Authorizing the printing of a manuscript entitled "History of the House of Representatives."

H. Res. 473. Authorizing the printing of additional copies of House Report No. 1249 entitled "New Civil Defense Program."

S. Con. Res. 7. To print as a Senate document a compilation of studies of U.S. foreign policy.

S. 451. To authorize the distribution of copies of the Congressional Record to former Members of Congress requesting such copies.

S. Con. Res. 15. To print as a Senate document, with additional copies, "A Report on United States Foreign Operations," submitted by Senator Allen J. Ellender.

S. Con. Res. 17. Authorizing the printing of the pamphlet entitled "Our Capitol" as a Senate document and providing for additional copies.

S. 1748. To provide for the increased distribution of the Congressional Record to the Federal judiciary.

S. Con. Res. 23. To print additional copies of pt. I of hearing on migratory labor.

S. Con. Res. 24. Relating to printing of publications of the Internal Security Subcommittee of the Senate Committee on the Judiciary.

S. Con. Res. 27. Authorizing the printing as a Senate document of the proceedings of the National Water Research Symposium.

S. Con. Res. 39. To print 3,000 copies of a compilation of the hearings, reports, and committee prints of the Subcommittee on National Policy Machinery.

S. Con. Res. 40. Authorizing the printing as a Senate document of the 40th biennial meeting of the Convention of American Instructors of the Deaf; and providing for additional copies.

S. Con. Res. 44. To print certain hearings before the Internal Security Subcommittee of the Judiciary Committee in Spanish, French, and Italian languages.

S. Con. Res. 47. To print additional copies of report entitled "Freedom of Communications."

As a result of intensive hearings conducted in previous Congresses, the committee recommended approval of H.R. 8141, a bill providing for the revision of the laws relating to depository libraries. The bill was passed by the House on August 22, 1961.

The chairman of the Subcommittee on Enrolled Bills—Library—Memorials is Hon. PAUL C. JONES, of Missouri. One of the more important items of legislation approved by the committee in this session was the approval of the creation of a commission to consider and formulate plans for the construction in the District of Columbia of an appropriate permanent memorial to the memory of Woodrow Wilson. Seventeen Members of the House had introduced legislation on this subject, but in the closing days of the session the committee approved Senate Joint Resolution 51, which was passed by the Senate on September 7, 1961. After approval by the House the resolution was signed by the President and became Public Law 87–364.

Another bill of importance which was approved by the committee was H.R. 4659, which authorized the establishment of a National Armed Forces Museum Advisory Board of the Smithsonian Institution, and also authorized the expansion of the Smithsonian Institution's facilities for portraying the contributions of the Armed Forces of the United States. This bill eventually became Public Law 87–186.

Many other items of proposed legislation are under consideration by the Subcommittee on Enrolled Bills—Library—Memorials, but action on many of them has been postponed until the second session of this Congress.

Under the rules of the House the Committee on House Administration is responsible for "examining all bills, amendments, and joint resolutions after passage by the House; and in cooperation with the Senate, of examining all bills and joint resolutions which shall have passed both Houses, to see that they are correctly enrolled; and when signed by the Speaker of the House and the President of the Senate, shall forthwith present the same, when they shall have originated in the House, to the President of the United States in person, and report the fact and date of such presentation to the House".

During the first session of the 87th Congress the Committee on House Administration reported to the House the enrollment of 422 House bills and 27 joint resolutions, which, in accordance with the Rules of the House of Representatives, were delivered to the President for signature.

Speech of Philippine Ambassador Narciso Ramos

EXTENSION OF REMARKS
OF
HON. JOHN SHERMAN COOPER
OF KENTUCKY
IN THE SENATE OF THE UNITED STATES
Wednesday, September 27, 1961

Mr. COOPER. Mr. President, I ask for unanimous consent to have printed in the Appendix of the RECORD a speech made at the dinner of the Lin-kou Noncommissioned Officers' Club, Taipei, Taiwan, by His Excellency Narciso Ramos, Ambassador of the Philippines to the Republic of China, on May 29, 1961.

Mr. Roy E. James, whom you will remember as a valuable associate on the Senate Committee on Labor and Public Welfare, was kind enough to send me the copy of the address. From a personal viewpoint, I am glad to ask that this speech be placed in the CONGRESSIONAL RECORD, because I had the opportunity to know Ambassador Ramos in 1955–56 when he was serving as the Ambassador of his country in India. In my service there as Ambassador of the United States, I knew him as an outstanding representative of his country, as a man who held our country in respect, and I knew him also as a warm friend. I am sure that his speech is straightforward, as anyone who knows Ambassador Ramos would expect it to be. He speaks to us as a friend and we can learn much from studying his speech.

There being no objection, the speech was ordered to be printed in the RECORD, as follows:

REMARKS OF PHILIPPINE AMBASSADOR NARCISO RAMOS, AS GUEST OF HONOR AND GUEST SPEAKER, AT THE DINNER OF THE LINKOU NONCOMMISSIONED OFFICERS CLUB, TAIPEI, MAY 29, 1961

I feel highly complimented to be asked to be your guest of honor and guest speaker on this occasion which, I understand, has been arranged to greet new members and to bid farewell to departing members of the Linkou Non-Commissioned Officers Club in Taipei.

Allow me to congratulate you all on having an association for social purposes like the Linkou NCO Club—a club designed to "foster esprit de corps and create a closer bond among members of the Linkou Air Station."

You Americans are noted for your social organizations. Away from your comfortable homes and customary surroundings in America, you fight ennui and boredom and a foreign assignment by joining service clubs which provide you with wholesome entertainment and relaxation, American style, during your off-duty hours.

This is all to the good, for as Americans manning battle stations all over the world to protect the freedom of others as well as your own way of life, you cannot afford to have less than the highest possible morale, whether you be in the jungles of Laos or in the tense but sophisticated atmosphere of West Berlin, and this you cannot attain if you are denied the amenities to which back home you have been accustomed.

But may I say in all friendliness that you must guard against a tendency that may do you more harm than good abroad and that is the tendency to isolate yourselves in little American pockets from the inhabitants of the foreign lands you have come to help and with whom, if need be, you will have to fight shoulder to shoulder in the defense of common ideals and common goals.

From a broadminded individual's standpoint, there is ample justification for you, Americans, to pass your hours of leisure in your own exclusive U.S. clubs. In a strange land, human beings, whether they are Americans, Filipinos, Chinese, or Thai, tend to gravitate in surroundings where they can mingle with persons of their own race or nationality. For what is more natural than for one to seek the company of people coming from the same country with identical origins, backgrounds, and interests?

But you, my American friends, have global responsibilities, and you cannot afford to alienate the sympathy of your foreign allies by standing apart and aloof from them. Asians, proud of their own ancient culture, are as sensitive as any other people of the world. They do not wish to thrust themselves into your exclusive circles, but whatever may be your problems in the United States regarding racial integration, I think it would be a grave mistake to give your Asian friends the impression that socially that they are not your equals.

That you have invited me to be your guest of honor tonight, me, a Filipino and an Asian, is yet another proof of your desire to mix, and get better acquainted, with your allies and sympathizers of other races and nationalities. I can assure you, as one from Asia, that such a desire has been, and will always be, reciprocated.

Here on Taiwan, as in my country, the Philippines, your present relations with the common people are on a warm and cordial basis. In both countries, "Hate the United States" slogans are nonexistent. You do not now find either in Manila or in Taipei posters saying, "Yankee Go Home."

But this cannot be said of your relations with the ordinary people of other areas. Only the other day, I read in the newspapers about the report of Sammy Davis, Jr., the Hollywood movie star, on the distressing anti-American sentiment in such Latin American countries as Brazil and Argentina. He had just returned to Hollywood from night club appearances in Rio and Buenos Aires, and he said he found there unbelievable signs of anti-American hostility. Your prestige must have come down considerably in Argentina in spite of the friendliness of the incumbent Argentine President, Mr. Arturo Frondizi, to the United States. I was Minister of the Philippines in Buenos Aires for 3 years—from 1949 to 1952 in the time of the Perons—but while the Perons were not friendly to the United States, the Argentines as a whole were not then openly antagonistic to the American people.

In Cuba, of course, there is no love for you, Norte Americanos. Need I say more?

From Buenos Aires, I was transferred to New Delhi where I served as chief of mission from 1952 to 1956, the year I came to Taipei. Although the United States has granted India enormous amounts of economic aid, the people of India have never really warmed up to their American benefactors until Communist violations of the Indian border in recent months gave them second thoughts about peaceful coexistence with the Peiping regime.

The United States has given immense sums in military and economic assistance to countless countries, yet you, my American friends, are not receiving in other parts of the world the kind of gratitude and appreciation which you deserve by reason of your matchless generosity. I believe no sensible person would question the honesty and sincerity of your intentions in trying to be helpful to weaker and less developed nations, but since you are not getting the desired results in terms of gratitude, it is high time, I believe, to reexamine not only your basic foreign aid policies, but also your system of approach, individual as well as collective, in dealing with the great variety of peoples throughout the world who need your help and support to survive in freedom.

We Filipinos are generally happy and proud of our friendship with the American people—a friendship that has stood the vicissitudes of time. I served in 1946–49 as Minister-Counselor at the Philippine Embassy in Washington, D.C., and I think I well understand the American way of life. But other Asian peoples, not having had the opportunities of historic association the Philippines has had with the United States do not understand and trust Americans as well as we do. In view of your grand and urgent mission in the world, permit me to say that you have to exert greater efforts to get closer to these other peoples so that you yourselves and your lofty aims may be better understood by them.

Despite your preoccupation with domestic affairs, you, the American people, have come to a most important conclusion—that no nation, not excepting the almost self-sufficient United States, can live alone and go its way without regard to what happens beyond its borders.

The recognition of interdependence is probably the most significant development in American public opinion in the last 150 years. The old cry of "no foreign entanglements" has been drowned out by the stern realities of world leadership. Not only the American Government, but you, the American people, have committed yourselves to international cooperation and have voluntarily accepted the heavy burden of high taxes to pay the bill.

I think there is no doubt that you Americans want to help the rest of the world to be on its feet economically and to defend itself against aggression. The motives are both humanitarian and enlightened self-interest. I am convinced that the idealism of the ordinary American is genuine. Because it is not a complicated idealism, political leaders in other countries have at various times underestimated its genuineness or overestimated American gullibility. I would say that most Americans are willing to share their abundance with less favored peoples, but I do not blame you if you are getting fed up with the notion that your abundance is limitless.

We, in Asia, could contribute a lot to a better understanding between ourselves and the American people if we showed a proper awareness that while American resources are tremendous in comparison with the resources of other nations, such resources have their limits. We would win the respect of Americans if we showed adequate concern that every American dollar allotted to us as aid is fully utilized for the purpose it has been intended. And you, my American friends, could be sure that every courteous and considerate act on your part toward the least of the common people of Asia would gain a deeper spot for the United States and the American people in our hearts.

I wish all the members of the Linkou NCO Club success. Thank you.

Goals of the New Frontier: Fair Labor Standards

EXTENSION OF REMARKS
OF
HON. JAMES G. O'HARA
OF MICHIGAN
IN THE HOUSE OF REPRESENTATIVES
Wednesday, September 27, 1961

Mr. O'HARA of Michigan. Mr. Speaker, on virtually the same battleground on which previous minimum wage battles were carried on, the Democrats fought and this time won a substantial victory. Attempts have been regularly made to expand the coverage of the Fair Labor Standards Act, but it has taken 23 years to achieve that result.

We succeeded this year where we had failed before because of the vigorous action of President Kennedy, who in implementing the goals of the New Frontier is determined to see that all of our people share in our growing national prosperity. The bill that passed this year is very similar to the measure that was requested by the President. It was, in fact, very similar to the measure he had supported so vigorously in the last Congress as a Senator.

This year's amendments to the Fair Labor Standards Act include an increase in the minimum wage for the 23.9 million workers previously covered from $1 to $1.25 an hour. The higher level is to be reached in two steps over a 2-year period. Protection of the minimum wage provisions and, with some exceptions, of the overtime provisions of the act was extended to 3,624,000 workers not previously covered. The newly covered will reach the level of $1.25 an hour and a 40-hour workweek in three steps over a 4-year period. The bulk of the newly covered employees are in the retail and construction industries.

As important as the increase in the minimum wage and the numbers of newly covered workers is the change of philosophy and policy implicit in other amendments of this year, where we succeeded in introducing the dollar-volume-of-business test as a criteria of coverage. In providing for "establishment coverage" we have eliminated the anomaly under which some workers in a given plant or firm were covered and others not.

In the course of debate on this measure the same tired old alibis and excuses were raised by the conservatives to starve off action in this field. The chief charge was that any raise in the wages and any extension of protection would be "inflationary."

The wages of a little over 3 million workers previously covered will be affected, adding approximately $836 million to the annual wage bill. Of the 3.6 million workers newly covered, the wages of approximately 1⅓ million will be raised, adding approximately $700 million to the annual wage costs. The employers' annual wage bill will thus be raised by approximately $1,536 million—less than three-tenths of 1 percent of the gross national product—$520 billion a year.

Not only is the increase proportionately small, but studies of the economic effects of the original act and the subsequent raising of the minimum wage demonstrate that the increase in wage costs was not necessarily reflected in consumer prices. As a matter of fact, during periods of relatively high unemployment such an increase in purchasing power can be expected to have a beneficial rather than a harmful effect on the economy.

Very little, if any, of the increase will be spent for items in short supply. Studies of low-income consumer expenditures show that over half of the increase will be spent for food and clothing. An increase in the wages of those at the bottom of the income scale can be expected to give a boost to those very sectors of the economy that need stimulus.

It will contribute, in a small way perhaps, to a reduction of farm surplus. Substantial amounts will be drained away in excise, income, and social security taxes.

I delight in the passage of this year's act, but I am not satisfied. As President Kennedy said as he signed the amendment last May:

> This does not finish the job. It is a very meaningful step forward, but we have need for further improvement in this most vital field.

Failure to extend the act will encourage the continuing growth of a depressed class, numbering in the millions, whose members cannot realistically hope to share in our prosperity or to share in what we think of as the American way of life.

As a nation we can ill afford the cost of such cheap labor. Poverty below the subsistence level quickly translates itself into slums, crime, delinquency and disease for which ultimately we must pay the price. The protection of the wage-hour law must be extended to all who need it. To fail to do so would be indefensible—socially, politically, and economically indefensible.

Permitting the Secretary of Labor on his own and without a request initiated by a worker to bring suit for back wages due under this act is an important and worthwhile improvement in its enforcement procedures. It does not, however, go far enough. Unscrupulous employers failing to comply with this act in years past have cheated workers of over $350 million a year. This must be stopped. After experience has been gained with this new provision, we should plan to move forward with still more effective procedures.

I would urge, in addition, extension of the Child Labor provisions of the original Fair Labor Standards Act to agriculture. Exploitation of children on the "factory farm" is not a bit less vicious, not a bit less cruel than exploitation of children in the mine, the mill, or the smelter. Elimination of this abuse is an imperative goal of the New Frontier.

District of Columbia Motor Vehicle Parking Agency Revitalization

EXTENSION OF REMARKS
OF
HON. WAYNE MORSE
OF OREGON
IN THE SENATE OF THE UNITED STATES
Wednesday, September 27, 1961

Mr. MORSE. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD a statement prepared by me concerning the revitalization of the District of Columbia Motor Vehicle Parking Agency.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR MORSE

As one who has lived in Washington for many years while serving in the Senate, and who takes a keen personal interest in the welfare and future of our Capital City, I am deeply concerned over a part of the District of Columbia revenue bill just considered by the Senate and House of Representatives.

This measure was brought up during the closing days of Congress, and was reviewed in the heavy legislative logjam at the end of the session. Although passed by the Senate and discussed in one of two subsequent conferences, it was finally voted down for the second time by the House on September 26, and now remains to be considered next session.

Due to my desire to see Washington's fiscal needs relieved through passage of H.R. 258, and due to the minimum of time available for its enactment, I voted for the conference report in its present form. However, I must confess that one portion of the bill caused me concern, and my subsequent extended study has confirmed this feeling.

I refer to the so-called parking amendment which would permit money held by the Motor Vehicle Parking Agency to be spent for fringe lots, parking space underneath new freeways, and lots adjacent to Federal installations—but which would require legislative authorization for spending on all other parking purposes.

My own analysis indicates that this amendment, if permitted to stand in future years, will cripple Washington's parking program and deal a severe blow to all efforts to improve the city's physical development.

Right now, we see the paradox wherein millions of dollars are being spent on highways and freeways, to bring more automobiles into downtown Washington—but inadequate provision being made for parking these cars, once they are there.

Provision of adequate parking, adequately planned, is vital to every major program of improvement in Washington. It is essential to the success of downtown revitalization, Southwest redevelopment, and other projects in which private citizens have invested millions of dollars.

The body assigned to plan and build Washington's parking facilities is the Motor Vehicle Parking Agency. If effective solutions are to be found to Washington's parking difficulties, the Agency must be allowed to retain its full powers and financing. This it will not do under the new amendment. Although this amendment is somewhat more acceptable than the original House version, which would have completely stripped the Agency of all authority, it would still tend to destroy the city's parking program.

The Agency cannot function effectively if its authority to build facilities is restricted

to a few kinds of parking. It cannot carry out a coherent program if it must beg its authority to construct general parking facilities from Congress each year.

Continuation of this amendment would leave the general citizenry of Washington to the mercy of a few interests chiefly interested in personal gain—the same interest which set out to destroy the Agency in the first place.

We cannot permit this to happen. This great Capital should and must have adequate parking facilities.

Therefore, I want to go on record as urging that the so-called parking amendment be eliminated when the conferees next meet to consider H.R. 258. I further urge that Congress take every opportunity to strengthen and encourage the Motor Vehicle Parking Agency in its efforts to meet and solve the top-priority problem of providing adequate parking in Washington, D.C.

Congressman O'Hara Reports

EXTENSION OF REMARKS
OF

HON. JAMES G. O'HARA

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 27, 1961

Mr. O'HARA of Michigan. Mr. Speaker, the 1st session of the 87th Congress began in a period of economic recession and is ending at a time of international crisis.

When we convened in January, it was evident that strong measures were needed to stimulate our lagging economy and to promote the sound and orderly growth of our human and natural resources. Evident, too, was the need to rebuild our defenses and restore our prestige abroad.

The Congress and the administration, acting in cooperation, took steps to get our economy rolling again. Area redevelopment, minimum wage, omnibus housing, and major amendments to the farm program—these and other measures followed one after the other in quick succession as Congress moved to meet the challenge of the sixties.

President Kennedy's domestic program suffered somewhat from the changes in the international situation. Both he and the Congress had of course been prepared to expand our space program, to strengthen our military defense, and to improve the operation of the foreign aid program. Over the months, however, the worsening of the international tensions called for ever more attention to our defense and foreign policy.

The Congress responded by granting the President the authority and the funds to strengthen our Armed Forces and increase our military effort. Our space program has been substantially stepped up and important new tools have been forged to do the long-term job of strengthening our allies and assisting the newly emerging and underdeveloped nations of the world.

In keeping with my previous practice, I am reporting these events to the people of the Seventh District of Michigan. What follows is that report:

AGRICULTURE

The Emergency Feed Grain Act and the omnibus farm bill are designed to effect a substantial reduction in wheat and feed grain surpluses. These measures and administration action raising price support levels will mean an increase in farm income of a billion dollars in the next year. Federal storage costs will be down—some $500 million will be saved—consumer food prices stabilized, and greater protection afforded the family farm.

The school milk program was extended as were the veterans and armed services milk programs. The farm housing loan and credit programs were liberalized—loan ceilings were raised and the funds available were increased.

The Mexican farm labor program was extended for 2 years with modest revisions designed to protect the domestic farmworker. The disposal abroad of an additional $2 billion in surplus commodities was authorized. The Sugar Act was extended setting quotas for domestic and foreign producers and continuing the President's authority to exclude Cuban sugar and reallocate Cuba's share of the sugar quota.

GENERAL ECONOMIC

The minimum wage was raised, in steps, to $1.25—from $1 per hour—and coverage was extended to an additional 3.6 million workers.

The Area Redevelopment Administration was established and authorized to make loans—$300 million—and grants—$90 million—for industrial and commercial projects and public facilities in areas of substantial and persistent unemployment. The cities of Warren and Port Huron among others in our district are considering plans to participate in this program. An occupational training program with retraining subsistence payments to trainees was provided to help equip unemployed workers for new jobs.

The most comprehensive housing bill yet provides expanded Federal funds in the form of loans and grants to communities for urban renewal, public housing, housing for the elderly, community facilities, open-space development, and mass transportation systems. FHA interest rates were reduced and low down payment, long-term loans were made available to medium-income families buying new homes.

The 41,000-mile, 13-year Federal highway program was modified, increasing the Federal share of the cost and the users' share of the taxes. The incentive bonus to the States which enter into agreements for billboard controls was extended for 2 years.

The Federal Airport Act was extended.

Small business loans were made available in increased amounts.

Among the steps taken to reduce the flow of gold were the following: Reduction in the duty-free allowance—from $500 to $100—for Americans returning from abroad; establishment of the U.S. Travel Service in the Commerce Department to promote travel from abroad; an increase in Commerce Department services to U.S. exporters.

TAXES

The existing 52-percent corporate income tax and the excises on automobile, liquor, tobacco, local telephone calls, and passenger transportation were continued. A loss of $2.5 billion in revenue at this time seemed too much despite the dissatisfaction with these taxes.

A curb on tax evasion was promised by a new program of assigning identifying numbers to taxpayers. For most it will be their social security number. An additional 4,265 Internal Revenue Service employees will soon be on the lookout for tax evaders.

GENERAL WELFARE

Minimum social security benefits and the benefits of certain widows were increased; benefits at a reduced level were made available to men as well as women on reaching age 62. A similar provision was enacted for railroad retirees.

Federal aids to communities and nonprofit organizations were made available to combat juvenile delinquency.

Impacted areas legislation under which schools in our district get some $300,000 a year in Federal assistance was extended for two years as was the National Defense Education Act designed to strengthen education in science, math, and languages. Grants and scholarships for the training of practical nurses will continue to be available.

Local communities will be helped to expand health services for the aged, to construct nursing homes and train public health personnel.

Federal loans to the States were authorized to permit the extension of unemployment benefits up to 13 weeks for workers who had exhausted their benefits. Railroad workers were separately provided for.

Federal aid to the States was made available for the needy children of the unemployed on the same basis as to the needy children of deceased or deserting fathers.

DEFENSE

The President was granted authority to call 250,000 ready reservists to duty. The Secretary of Defense now has authority to extend enlistments, appointments, and other service obligations up to 12 months.

Procurement of aircraft, missile, and naval vessels has been stepped up. The Polaris submarine program, for example, was accelerated so that we will have a full fleet in commission 3 years sooner than previously planned.

Substantial improvement can also be expected in our Defense capabilities in nonnuclear areas. Congress has provided additional funds for the purchase of weapons, equipment, and ammunition, to provide increased air and sea lift, and to expand our antisubmarine warfare program. The training of special forces in guerrilla warfare has been increased.

Operations in space will be stepped up by the $1¾ billion made available to the NASA, a substantial increase over previous appropriations.

Civil defense was taken off its starvation diet. Congress encouraged by the President increased by a factor of four the annual appropriation for civil de-

fense. Money is not the whole answer, however, and the complete reorganization of the Civil Defense Administration is being undertaken by the Secretary of Defense. The lives of tens of millions of Americans may depend on the success of this effort.

A military construction bill this year provided for essential military building projects including a $5 million administration building at the arsenal in Warren. We now have an atomic cooperation program for mutual defense purposes with the French. The President has been authorized to loan naval vessels not essential to our own needs to certain friendly nations.

INTERNATIONAL

A distinctly Kennedy flavor was imparted to legislation in the international field.

The Arms Control and Disarmament Agency was created. It will have primary responsibility for coordinating research, managing negotiations, and directing U.S. participation in inspection systems.

The Peace Corps was made permanent. American youngsters will carry American skills, talents, and idealism abroad to help others help themselves. Our younger generation, which has so often been called upon to fight wars, will now be given an opportunity to work for peace.

The foreign aid program emphasized long-term planning and development loans instead of grants. President Kennedy has indicated that he will insist that recipient nations be willing to help themselves.

The establishment of the Inter-American Alliance for Progress and the appropriation of additional funds for the Inter-American Development Bank will be of substantial assistance to our often forgotten neighbors to the south.

Here, too, the President has called for new concepts of social reform and self-help on their part.

The food-for-peace program was expanded.

Orphans adopted by U.S. citizens were permitted to continue entering the United States without regard to immigration quotas.

Aid for resettlement was provided for refugees and escapees from the Iron Curtain and Cuba.

MISCELLANEOUS

The life of the Civil Rights Commission was extended for 2 years.

The cutoff date for veteran's home loans was moved forward and the funds available for them increased. Certain veterans' widows will get increased benefits. Congressional Medal of Honor winners can now receive a $100 a month pension at the age of 50 if they so desire.

Seventy-three additional U.S. district and circuit court judgeships were created to ease the present workload and overcrowded court calendars.

Use of the mails, the telephone, the telegraph, and other means of interstate communication was prohibited to the operations of gamblers, bootleggers, and dope peddlers. Airplane hijacking was made a Federal crime.

The equipment allowance for rural carriers was increased. Salary retention protection was made available for the postal field service.

The water pollution control program was continued and additional funds made available to help construct sewage treatment facilities. The city of New Baltimore is receiving almost $220,000 toward the cost of their new plant under this program.

COMMENTS

This has been a hard-working Congress. This session lasted longer and produced more legislation than any in the last 10 years. If in spite of the volume of legislation enacted our efforts seem not to have been spectacular, it is perhaps because the efforts of this Congress were in many respects familiar. Much of the domestic legislation particularly had been previously proposed but not enacted. A great deal remains to be done of course, but many of the committee hearings and much of the work completed this year will bear fruit when we meet next year.

NEXT YEAR

Among the important measures to be considered next year will be:

Aid to education—classroom construction and teachers' salaries for elementary and secondary schools.

A Federal program in aid of higher education.

Overall revision of the Internal Revenue Code—to plug loopholes and encourage capital improvement and plant expansion.

Health care of the aged under social security.

Postal rate increases.

Establishment of a Department of Urban Affairs.

An increase in veterans' service-connected disability benefits—to reflect the cost of living changes since the last raise.

A Federal program to encourage the development and use of educational television.

Migrant worker legislation—providing increased medical services and educational opportunities for the migrant farm families and greater protection from exploitation for the children.

Strengthening the Welfare and Pension Plan Disclosure Act.

Tightening of antitrust laws.

Tax-free retirement funds for the self-employed.

Permanent overhaul of the unemployment compensation setup and the establishment of Federal standards.

A program of retraining jobless workers displaced by automation.

A youth conservation corps and an occupational training program for jobless youngsters.

Aid for medical education—construction of facilities and scholarships for students.

Amendments to the Labor Acts, including jobsite picketing and emergency strike provisions.

Changes in the salary schedule of Federal employees.

YOUR REPRESENTATIVE

I am not only your legislative representative in a very real sense. I am your representative in all your relations with the Federal Government. If you are having any problem with any Federal agency and feel that I can be of assistance, please let me know. We won't always be able to get a favorable ruling; indeed, it is not my function to do so. I will assure you, however, that I will see that you receive prompt consideration and that you are given a fair opportunity to present your side of the case. I expect to be in Michigan for most of the remainder of this year, and within the limits of my schedule will make myself available to any person or group that wishes to meet with me.

Message of Mormonism Centers Around Life and Mission of Christ

EXTENSION OF REMARKS

OF

HON. M. BLAINE PETERSON

OF UTAH

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 27, 1961

Mr. PETERSON. Mr. Speaker, at the 131st Semiannual General Conference of the Church of Jesus Christ of Latter-day Saints—Mormon—Elder Hugh B. Brown delivered an address which I commend to all those who seek the abundant life of the Master.

Full text of the address by President Hugh B. Brown, counselor in the first presidency, delivered at the Sunday morning session of the 131st semiannual general conference follows:

My brothers and sisters, and in that salutation I should like to include all who are listening regardless of their church affiliation, because we are convinced that we are brothers and sisters. We believe in the universal brotherhood of man under the fatherhood of God.

We are speaking this morning not alone to church members. We are advised that perhaps more than 50 percent of those attending in person or through the use of modern media, are friends of the church who are visiting us. We appreciate your interest—we extend to you a hearty welcome. Your attendance seems to indicate that you have heard something about the Mormons and perhaps would like to know more. We should like to respond briefly to your implied inquiry about the church. We shall avoid dogmatism, for that ordinarily brings antagonism. We simply invite you, our friends, this morning to, as Isaiah said, "Come and let us reason together."

BABEL OF ORGANIZATIONS

We respect all men in their religious beliefs, but the divergent beliefs and multiplicity of creeds have, through the centuries, been the cause of much confusion and concern. The condition of the world religiously is stated in the Catholic Encyclopedia, from which I quote the following:

"A Babel of religious organizations all proclaim themselves to be the Church of Christ. Their doctrines are contradictory and precisely insofar as one of them regards the doctrine; which it teaches as vital it declares those of rival bodies to be misleading and pernicious."

Now, while we do not agree that the beliefs of others are necessarily pernicious, we do think it regrettable that the original Church of Jesus Christ, as outlined in the New Testament, has been broken up into so

many creeds. We believe the Lord's House should be a house of order, not divided against itself.

The question is often asked, what are some of the distinguishing characteristics of the Church of Jesus Christ of Latter-day Saints? What, if anything, has this church to offer which is new? Would it be worthwhile to take a closer look at Mormanism?

Though there are many fundamental differences between this church and others, we must today be content to mention—and that only briefly—just one of them. We refer to our faith in continued revelation from God to men. It seems a bit paradoxical that this fundamental doctrine of the church should make it unique or distinguish it from others, inasmuch as in all dispensations of the Gospel current relevation has been the sustaining power, the vivifying spirit of the divine church.

In a concrete statement of beliefs known as the Articles of Faith, we declare our faith in all that God has revealed, all that He does now reveal, and we believe that he will yet reveal many great and important things.

History proves that when the spirit or gift of revelation is withdrawn from the church, there is nothing but a dead form left and men are prone to worship God with their lips and honor Him with their mouths, but, because there is no communication and therefore no understanding, their hearts are far from Him.

A REVEALING SPIRIT

The things of God can only be understood by the spirit of God and the spirit of God is a revealing spirit. The Master promised before He left the earth, to send another comforter which should lead men into all truth. Divine revelation has always been a characteristic of the Living Church—it is absolutely essential to its continued existence in an organized state on the earth.

You remember the prophet Amos said, "Surely the Lord God will do nothing, but he revealeth His secret unto His servants the prophets." (Amos 3: 7.)

And in the Proverbs we read, "Where there is no vision, the people perish." (Proverbs 29: 18.)

We have ample Scriptural authority for our declaration that a man must be called of God by prophecy and by the laying on of hands by men of authority to preach the Gospel and administer its ordinances. The Apostle Paul said, "No man taketh this honor unto himself, but he that is called of God, as was Aaron." (Hebrews 5: 4.) And Aaron was called by direct revelation through Moses. When revelation ceases, people dwindle in unbelief, and not only the people but the church apostatizes in the absence of inspired leadership.

That is exactly what happened in the Primitive Church and that situation was a harbinger of a universal apostasy, of which the Church of England speaks in its "Homily Against Peril of Idolatry," as follows: "So that laity and clergy, learned and unlearned, all ages, sects, and degrees of men, women, and children of whole Christendom—a horrible and most dreadful thing to think—have been at once drowned in abominable idolatry; of all other vices most detested of God, and most damnable to man; and that by the space of 800 years and more."

Without continued revelation there can be no authorized ministry on the earth and without authorized officers there can be no Church of Christ. If some say there is no revelation and will not be further revelation from God, we ask, "Why not? Has God lost the power to reveal His mind and will to men?" Of course, to so state is tantamount to blasphemy. Do we not need revelation or word from God? I ask you to consider the condition of the world and note the dire need of the world for some divine guidance and direction.

Well then, if God could reveal and we need revelation, is the fault with man? Have we lost the gift or the faith or the understanding that will enable us to receive revelation? Certainly it would be more modest of us to admit the fault in ourselves than to blame God for not speaking, if He does not speak. Or perhaps there may be some jamming of the messages by the enemy, as a result of which some have been led to believe that there is no power that can transmit. We ask, in radio or television language, "Has the broadcasting station gone out of business or broken down, or are there no receiving sets?"

So long as men believe there can be no revelation they will make no attempt to tune in. They will lose their faith and will no longer look up and listen. Some even deny there is need for revelation, but the daily press challenges that statement; in this imperiled, divided, and chaotic world the need for God's help was never more apparent and urgent.

An English divine recently said, "Oh, that some man would arise who could authoritatively say to the world, 'Thus saith the Lord.'"

Is it possible, our friends, that religion is the one department of human interest, investigation and research where progress is impossible? Would any professor say to his class in chemistry, astronomy, physics, or geology, that no further discovery or revelation of scientific truth is possible? Is religion the only human interest which is static and quiescent? Did Christ leave his church leaderless and intend it to continue so to be?

For ourselves, because of our faith in the universal and unchangeable love and justice of God, we cannot believe that his church in one dispensation would be blessed and led by what in television parlance might be termed "live" revelation and in another dispensation leave a distraught and imperiled world with only the recorded messages of ancient prophets, some of which messages were for specific purposes and under special circumstances. We believe that revelation both "live" and recorded is now and will continue to be available to men. Whenever the Lord has recognized his church he has given through his prophets messages of warning, instruction, and hope.

FAITH IN SCRIPTURES

When we say that we believe all that God has revealed, we declare our faith in the Scriptures. We believe the Bible to be a repository of divine truth and that that is authoritative, though not beyond the need for interpretation and proper translation and, therefore, we say, when we declare our faith in the Bible, "as far as it is translated correctly." And when we declare that we believe that God does now reveal, that He still speaks through his prophets, and that his word is scripture whenever and wherever given, when we make this statement we are simply following the Gospel of Jesus Christ and declaring as true the Judeo-Christian religion.

We sometimes meet with skepticism when we say that He still reveals, but let us paraphrase the words of Paul for a moment. Why should it be thought a thing incredible that God should do what He has promised to do? And if time would permit we could take you through the scriptures from Genesis to Revelations and show the promises of God with respect to the latter days. Why should it be thought incredible not only that He would keep His promise but that He would continue to do what He has done through all the dispensations of the Gospel from the beginning?

The Church of Jesus Christ was established and is now directed by revelation, and that fact is largely responsible for the appeal which this new church makes, and when I say "new" I wish to emphasize that to us it is not new, but a restoration of that which was. The true Church of Christ is not a blind alley, it is an open thoroughfare, where men may confidently pursue truth in the light of revelation. That the church is progressive and responsive to revealed truth is evidenced by our further declaration that we believe that God will yet reveal many great and important things.

This church, our friends, is not committed to any formal or inflexible creed, but its members are taught to believe in and live by the revelations of the past and the present and thus prepare themselves for the revelations yet to come. Our concepts and even our faith must be held subject to new light. The present and urgent need for continued revelation in this age of communism, atheism, godlessness, the spirit of the anti-Christ, becomes more apparent when we realize that revelation gives us our most conclusive proof that there is a Divine Being and how the world needs to know something of Him.

In an age when hundreds of millions of people are being systematically indoctrinated with the abominable doctrines of communism, which are that there is no God, religion is an opiate, Christ is a myth; surely in the midst of such determined, persistent, and relentless attacks from the enemy we may expect from God our Father some direction and for that direction we humbly pray.

But our message is this, our friends, God has spoken from the heavens, communication between heaven and earth is still possible, the lines are open. That is the challenging message of Mormonism, that is the ensign to the nations, it is a message of hope in an imperiled world, and if we are to exercise saving faith and accompany it with works and, of course, faith without works is dead, we must know something of Him, of His existence, His personality, His laws, His purposes with respect to man, and realize that we are, in fact, His children, related to Him. He said, "And this is life eternal, that they might know Thee the only true God, and Jesus Christ, whom Thou hast sent." (John 17: 3.)

We do not say that God is immaterial and incomprehensible and without a body. Rather we say He is approachable and He is our Father. Now, revelation may come through dreams or visions, the visitation of angels, or, on occasion such as with Moses, by face-to-face communication with the Lord. You remember the Lord spoke to Adam, and not only while he was in the Garden of Eden, but after he was cast out. He spoke to other patriarchs and prophets through the ages. He spoke to Enoch, who was called "the Seventh From Adam," and it is said that he was translated because he was especially favored with the presence of the Lord. The record reads, "And Enoch walked with God; and he was not; for God took him." (Genesis 5: 24.)

The Lord by revelation warned Noah of the coming flood. He talked with Abraham and told him to leave his country and go into a new land and gave him some promises with respect to his posterity.

MOSES COMMISSIONED

By revelation He commissioned Moses to go into Egypt and under God's personal direction released the children of Israel from the bondage of the Egyptians.

So we may trace the line of revelators, men who have stood, each in his time, as the medium through whom God speaks to His people, from Moses to Joshua, through the Judges, on to David and Solomon and down to Zachariah and Malachi. Christ, Himself, came to this world to reveal God to men and He, Himself, was led and directed by revelation from His Father while He dwelt on this earth.

The Lord, as you know, revealed to Zacharias, the father of John the Baptist,

what was to happen, and you remember what happened to Zacharias because of his lack of belief. The Lord revealed to Mary what was going to happen with respect to the birth of Christ. The apostles were led, directed, inspired by revelation from time to time in in the meridian of time. Christ Himself said this: "I have not spoken of Myself; but the Father which sent Me, he gave Me a commandment, what I should say, and what I should speak. And I know that His commandment is life everlasting: whatsoever I speak therefore, even as the Father said unto Me, so I speak." (John 13: 49–50.)

The apostles in the meridian of time were in touch with the heavens by revelation. Note what Paul says:

"But God hath revealed them [divine truths] unto us by His spirit: for the spirit searcheth all things, yea, the deep things of God.

"For what man knoweth the things of a man, save the spirit of man which is in him? even so the things of God knoweth no man, but the spirit of God." (I Corinthians 2: 10–11.)

You remember John on the Isle of Patmos wrote the Book of Revelations, and, incidentally, this is sometimes called the Apocalypse, and that means in Greek "revelation." This is what he says at the beginning of his book—it was not written of his own wisdom:

The Revelation of Jesus Christ, which God gave unto him (speaking of himself), to shew unto his servants things which must shortly come to pass; and he sent and signified it by his angel unto his servant, John. (Revelation 1:1.)

The Scriptures, then, are not only replete with evidence, but conclusive, proving that God does and always has, whenever there has been a dispensation of the Gospel upon the earth, been in touch with his people.

Remember Paul said this, and he is speaking now of our time:

That in the dispensation of the fulness of times he might gather together in one all things in Christ, both which are in heaven, and which are on the earth, even in him. (Ephesians 1:10.)

REVELATION—STANDARD PROCEDURE

From the scriptures cited and many others, it seems evident that revelation from God to man has been a vital characteristic, it has been standard procedure in all dispensations of the Gospel. All the prophets and leaders of ancient times were led, directed, chosen, inspired by God himself through revelation.

Eusebius records what happened after the apostles had been slain and were no authoritative answers could be given. He says, "When the sacred choir of apostles became extinct and the generation of those that had been privileged to hear their inspired wisdom had passed away, then also the combinations of impious error arose by the fraud and dilusions of false teachers. These, as there were none of the Apostles left, henceforth attempted without shame to preach their doctrine against the Gospel of truth."

And Mosheim reminds us that both Jews and heathens were accustomed to a vast variety of pompous and magnificent ceremonies in their religious service. All the records of the second century mention the multiplication of rites and ceremonies in the Christian church. "But," you ask, "were these the times that have been?" Some of you may say, "We can believe in the revelation in Adam's day and in the days of Moses, in the days of Christ, in the days of the Apostles, but not now."

Is there any indication that we might, with reason, expect some word from God? Hear John's testimony as he spoke of things that were to come in the latter days. He said:

"And I saw another angel fly in the midst of heaven, having the everlasting gospel to preach unto them that dwell on the earth, and to every nation, and kindred and tongue, and people,

Saying with a loud voice, Fear God, and give glory to him: for the hour of his judgment is come." (Revelation 14:6–7.)

That, my dear friends, is a prophetic promise of revelation in our time. The church today is founded on the rock of revelation as securely as it was in the days of Peter when Christ said to him, after Peter had spoken of his knowledge of him,

"Upon this rock I will build my church; and the gates of hell shall not prevail against it." (Matthew 16:18.)

We think we are justified in anticipating future revelation and we believe that it will be surpassing in importance and glorious fullness anything that has yet been revealed. We believe that he will continue to reveal himself as long as man continues his probation here on earth.

MESSAGE OF MORMONISM

Now, you friends of ours probably ask, "What particular revelation is the one on which you found your church?" Time will not permit, of course, a complete answer to that, but humbly, and from the very center of my heart, I say to you, our friends, and to you members of the church, God has restored the Gospel of Jesus Christ and there was a great revelation, one of the greatest of all time, when the Father and the Son, anticipating our very day and the events of these times, appeared to a man, and they were personal beings, they were separate and distinct, they were in form like man, thus proving the first scripture in Genesis, "God created man in his own image." They spoke to him.

Other revelations followed. The whole message of Mormonism centers around the life and mission of Jesus, the Christ, and we proclaim to the world in contradiction to the hellish doctrine of communism, God does live. He still speaks to men. There are prophets on the earth.

If that statement is true, it is the greatest message that has come to this earth since Christ ascended into heaven because it is a measure of his coming, and if it is true, all of you should know it. That it is true we humbly testify.

We ask you to listen, to read, to pray—ask God for guidance—and we promise you, paraphrasing the prophet Moroni, that if you will ask of God in faith in the name of Jesus Christ, whether what we declare is true, he will reveal the truth of it unto you by the power of the Holy Ghost.

We believe this is the message for which the world has been waiting. We declare it is the very truth of God, and for my own self I bear witness to that effect and say to you in humility, but without any equivocation, by the same power and authority with which Peter spoke, I say, with him, "Thou art the Christ, the Son of the living God." I know this to be true and plead with men everywhere to harken for it is a message from the heavens, to which I testify in the name of Jesus Christ, amen.

Kefauver's Drug Fight—October 16

EXTENSION OF REMARKS

OF

HON. PHILIP A. HART

OF MICHIGAN

IN THE SENATE OF THE UNITED STATES

Wednesday, September 27, 1961

Mr. HART. Mr. President, Mr. Frank Carey, the Associated Press science writer, has written a provocative and informed summary regarding the Senate Antitrust and Monopoly Subcommittee's continuing study of drug pricing.

The following article, which appeared in the Nashiville Tennessean, sets forth this reporter's view of the subcommittee's work.

I ask that excerpts from this article be printed in the Appendix of the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

KEFAUVER'S DRUG FIGHT—OCTOBER 16

(By Frank Carey)

WASHINGTON.—A new round of a prolonged battle royal—perhaps the bitterest yet—is coming up on the issue of whether drug prices and profits are too high.

Starting October 16, the Senate Antitrust and Monopoly Subcommittee will open a fresh chapter of hearings on a hotly controversial bill to place the drug manufacturing industry under tighter Federal police control.

The measure, introduced by Senator ESTES KEFAUVER, Democrat, of Tennessee, and Representative EMANUEL CELLER, Democrat, of New York, is an outgrowth of nearly 2 years of stormy and widely publicized investigations by the subcommittee.

The bill calls for changes in the Sherman Anti-Trust Act, the patent code, and the Federal Food, Drug, and Cosmetic Act. Backers say the intent is to lower drug prices to consumers and to improve the protection afforded under present law.

KEFAUVER, chairman of the subcommittee, said in introducing the bill:

"The need for action stems basically from the fact that, by any test and under any standard, prices and profits in the ethical (prescription) drug industry are excessive and unreasonable."

KEFAUVER's announced goals are: (1) To slap down allegedly monopolistic practices by big companies which he contends have grossly inflated prescription drug prices; (2) force more competition among drugmakers and enable small manufacturers to compete on more equal terms with the large ones; (3) make sure that medicines are safe and efficacious and that doctors are told the whole story of the good and bad points of a given drug.

He also says the bill would provide the means and incentive for doctors to prescribe by generic or official names—rather than trade names—and thus enable consumers to shop around for the best buy.

The drug industry contends that existing law is good enough if Congress will only vote enough money to let the Food and Drug Administration do the policing and inspection job needed.

The hearings are expected to produce major fireworks for these reasons:

1. They will be concerned at the outset with the patent aspects of the bill. Both sides expect that such organizations as the American Bar Association will oppose the proposed changes on this score: Such legislation might establish a dangerous precedent that could immediately imperil the entire patent system.

2. The drug industry, in early December, will offer its first testimony in formal opposition to the bill. Dr. Austin Smith, president of the Pharmaceutical Manufacturers Association, the trade organization representing the drug industry as a whole, told a reporter:

"We are prepared to bite back. Before, during the hearings preceding introduction

of the bill, we just licked our wounds—and we had some deep ones.

"We knew instinctively that we were right, but we couldn't always produce specific facts. We are better prepared now to speak to the proposals, rather than just answer criticism.

"Senator KEFAUVER has hit the public in its pocketbook with his allegations of excessive drug prices and profits. I propose that we hit the public in the pocketbook, too, and point out that, in terms of drugs that can save lives, shorten the length of various illnesses compared with years ago, and actually reduce public expenses in the case of mental hospitals. * * * The public is really getting a bargain."

* * * * *

KEFAUVER's drug patent proposal would reduce exclusive patent rights to a new drug from the present 17 years—for patents of any kind—to 3. After the 3 years, the exclusive patent holder would be compelled to license other qualified manufacturers to produce and sell the drug, but would be entitled to collect royalties for 14 years.

OPPOSITION SEEN

He expects opposition from patent lawyers who fear this would be an opening wedge against all patents. But he insists:

"Drugs and drugs alone (among patentable things) have a peculiar effect on the health of our citizens. And we feel that in the case of drugs where the purchaser is a captive, we have an unusual and peculiar situation which warrants making this exception to the patent laws without establishing any precedent."

The drug industry contends this phase of the bill would greatly reduce drug research.

Earlier drug hearings—beginning in December 1957, and running off and on throughout 1960—produced a typewritten record running to more than 10,000 pages.

* * * * *

When a report on the hearings was filed last June by the Democratic majority—picturing the big drug manufacturers as making extraordinary profits through alleged control of patents on prescription medicine—the Pharmaceutical Manufacturers Association labeled it an unjustified attack on the drug industry.

In addition, two Republican members of the subcommittee—Senators EVERETT M. DIRKSEN, of Illinois, and HRUSKA, of Nebraska—filed a dissenting report. They charged that the Democrats' report was a 400-page monstrosity containing findings that were prejudiced and unfair.

Controversy raged anew early in July when hearings on the Kefauver-Celler measure were opened.

AMA OPPOSES

The American Medical Association opposed some key features of the bill—notably, the one under which the Food and Drug Administration, before approving drugs, would investigate whether they actually worked. At present, the FDA checks only to see if they are safe.

KEFAUVER suggested that AMA's evaluation of drugs is colored by revenues from advertising of drug manufacturers in AMA publications.

Dr. Leonard W. Larson, AMA president, termed KEFAUVER's statements an unwarranted slur on the AMA and urged that KEFAUVER retract his implied charge. KEFAUVER has refused.

During the July hearings, the stand of the AMA on the drug bill was that the medical profession, working with the drug manufacturers, could clean up any unsavory conditions in the drug business, and should judge for itself whether a new drug has merit.

But several individual doctors retorted in testimony that any hope of a cleanup without tough Government policing is dim.

These doctors charged that many physicians are confused, even deluded, by high-pressure, extravagant, or misleading advertising claims about the efficacy of new medicines pouring into the market at the rate of about 400 a year. Even medicine advertisements in the AMA's chief publication—the AMA Journal—sometimes mislead, some witnesses said.

AMA witnesses asserted that the AMA Journal's articles and editorials discuss at length the good and bad points of medicines and that doctors rely on these rather than ads for information about new drugs.

RIBICOFF HELPS

Proponents of the Kefauver bill were heartened by testimony given recently by Health and Welfare Secretary Abraham Ribicoff. Up to that time there had been no indication of the Kennedy administration's stand on the measure. There had been unofficial reports that Ribicoff might introduce a rival bill.

Ribicoff came out strongly for a tightened drug-licensing law—notably on the issue of requiring drugmakers to prove the effectiveness, as well as the safety, of drugs before they can be marketed.

In that regard, he called up Congress "to give American men, women, and children the same protection we have been giving hogs, sheep, and cattle since 1913."

But he also spoke to the price-and-profits and other controversial issues:

He commended the advances made in producing revolutionary new drugs in the last two decades. He credited them with contributing enormously to combating ill health, increasing life expectancy, reducing deaths from infectious diseases, and comforting and relieving the chronically ill.

"But," he said, "there is a negative side as well: A pattern of high [drug] prices and incomplete safeguarding of the consuming public * * * your [subcommittee] evidence has shown that the price of many important drugs is too high. Information available from your subcommittee and from Government agencies shows profits in the drug industry generally higher than other industries, and the source of these profits is ultimately the American consumer * * *."

Just what are the specific arguments of both sides regarding drug prices and profits?

KEFAUVER and his backers offer figures like these—brought out in testimony during the original 1959–60 hearings—to support their contentions of excessive prices:

A tablet of predisolone—one of the cortisone family of drugs for treating ailments like arthritis—costs only 1.6 cents to produce, exclusive of selling and distribution costs. Yet the price to druggists is 17.9 cents, and the ultimate consumer pays about 29 cents a tablet.

In the field of antibiotic wonder drugs, the KEFAUVER group cites figures for tetracycline, the most commonly used of the broad spectrum, or widely versatile, antibiotics.

The figures they cite run this way, exclusive of royalty, selling and distribution costs: productcion cost—2.9 cents a capsule; price to retail druggists—30.6 cents; and price to the consumer—51 cents.

REBUTTAL

The drug industry, maintaining that costs to consumers are not unduly high, contends that production cost is only one of many factors in computing prices, and that consideration must be given to such things as research and development costs, and the cost of new product marketing.

KEFAUVER and his supporters retort that the drug industry's major companies devote only 6.2 percent of the sales dollar to research but up to 25 percent on advertising. They contend that if less money were spent on advertising and promotion, prices to consumers could be sharply lowered.

There was testimony that for prednisone, another cortisonelike drug, the price the large companies charged to drugstores was $17.90 for a package containing a given number of tablets—whereas the price charged by some of the smaller firms ranged as low as $4 a package.

The drug industry contends, in rebuttal, that many of the small companies do not engage in research and are, therefore, free of substantial costs, allowing them to sell their drugs at a lower price.

Drug industry spokesmen say it's true that the long-term trend of prescription prices has been upward and that drugs cost more than formerly, but so does nearly everything. They say further that drug prices from 1949 through 1959 rose slightly less than the cost of living as a whole.

On the matter of profits made by the drug industry, KEFAUVER and his supporters say the drug industry in 1960 once again showed a higher profit on investment, after taxes and after all expenses including research, than any other industry.

Industry spokesmen contend that critics tend to cite the industry's best years on profits—and say nothing about leaner years. They contend there are signs of a downward trend and that the decline will continue unless someone comes along with a cure for cancer or heart disease.

OTHER FIGURES

Dr. Smith, president of the Pharmaceutical Manufacturers Association, offers some other figures.

"If all the profits due to U.S. drug industry sales for 1 year—amounting to $171 million—were distributed evenly among the Nation's 180 million population, it would mean 95 cents a person as a gift.

"Put it another way: If all their profits were turned back in terms of lowering the price of prescriptions, it would mean a saving of only 24 cents on the average prescription. But it would also mean no expansion of plant facilities, no extension of research labs, no new research—in short, no more drug industry."

The drugmakers contend they didn't get a fair shake during the original drug price hearings.

They say, for one thing, that the majority staff of the subcommittee engineered presentation of testimony so that damaging charges against the industry were timed to coincide with newspaper deadlines, whereas friendly testimony was timed so it would be least likely to get public attention.

Voting Record

EXTENSION OF REMARKS

OF

HON. JOHN H. ROUSSELOT

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 27, 1961

Mr. ROUSSELOT. Mr. Speaker, in order that my constituents may know exactly how I voted on matters coming before the House of Representatives during the 1st session of the 87th Congress, I, under unanimous consent, insert in the Appendix of the CONGRESSIONAL RECORD my complete voting record:

Individual voting record—Subjects of rollcalls, 87th Cong., 1st sess., convened Jan. 3, 1961; adjourned Sept. 27 (legislative day Sept. 26), 1961

Rollcall No.		Vote
1	Call by States. Jan. 3, 1961	Present.
2	Election of Speaker. Jan. 3, 1961. Rayburn 258, Halleck 170, present 2	Halleck.
3	H. Res. 1. A resolution referring the election of a Member from the 5th Congressional District of Indiana to the Committee on House Administration. On ordering previous question. Jan. 3, 1961. Yeas 252, nays 166.	Nay.
4	Call of the House. Jan. 31, 1961	Present.
5	H. Res. 127. A resolution providing that during the 87th Congress the Committee on Rules shall be composed of 15 members. On agreeing to resolution. Jan. 31, 1961. Yeas 217, nays 212, present 1.	Nay.
6	Call of the House. Mar. 1, 1961	Present.
7	H.R. 4806. A bill to provide for the establishment of a temporary program of extended unemployment compensation, to provide for a temporary increase in the rate of the Federal unemployment tax, and for other purposes. On passage. Mar. 1, 1961. Yeas 392, nays 3.	Nay.
8	H. Res. 167. A resolution to authorize the expenditure of certain funds for the expenses of the Committee on Un-American Activities. On agreeing to resolution. Mar. 1, 1961. Yeas 412, nays 6.	Yea.
9	H.R. 5188. A bill making supplemental appropriations for the fiscal year ending June 30, 1961, and for other purposes. On Fogarty amendment. Mar. 7, 1961. (Payment for school districts—$29,990,000.) Yeas 339, nays 62.	Yea.
10	Call of the House. Mar. 8, 1961	Present.
11	Call in committee. Mar. 8, 1961	Present.
12	Call of the House. Mar. 9, 1961	Present.
13	H.R. 4510. A bill to provide a special program for feed grains for 1961. On motion to recommit with instructions. (Strike out sec. 3.) Mar. 9, 1961. (Failed.) Yeas 196, nays 214.	Yea.
14	H.R. 4510. A bill to provide a special program for feed grains for 1961. On passage. Mar. 9, 1961. Yeas 209, nays 202	Nay.
15	Call of the House. Mar. 10, 1961	Present.
16	Call of the House. Mar. 15, 1961	Present.
17	H.R. 4510. A bill to provide a special program for feed grains for 1961. Conference report. On adoption. Mar. 21, 1961. Yeas 231, nays 185.	Nay.
18	Call of the House. Mar. 21, 1961	Present.
19	H.R. 5463. A bill to amend and extend the Sugar Act of 1948, as amended. On motion to suspend rules and passage. Mar. 21, 1961. Yeas 284, nays 129.	Yea.
20	H.R. 4806. A bill to provide for the establishment of a temporary program of extended unemployment compensation, to provide for a temporary increase in the rate of the Federal unemployment tax, and for other purposes. Conference report. On adoption. Mar. 22, 1961. Yeas 363, nays 31.	Nay.
21	Call of the House. Mar. 23, 1961	Present.
22	H.R. 5000. A bill to authorize certain construction at military installations, and for other purposes. On Yates amendment (Quartermaster Research and Engineering Center, Natick, Mass.). Mar. 23, 1961. Yeas 269, Nays 145.	Nay.
23	H.R. 5000. A bill to authorize certain construction at military installations, and for other purposes. On passage. Mar. 23, 1961. Yeas 412, nays 0.	Yea.
24	Call in committee. Mar. 23, 1961	Present.
25	Call in committee. Mar. 23, 1961	Present.
26	Call of the House. Mar. 24, 1961	Present.
27	H.R. 3935. A bill to amend the Fair Labor Standards Act of 1938, as amended, to provide coverage for employees of large enterprises engaged in retail trade or service and of other employers engaged in commerce or in the production of goods for commerce, to increase the minimum wage under the act to $1.25 an hour, and for other purposes. On Ayres amendment. Mar. 24, 1961. Yeas 216, nays 203.	Yea.
28	H.R. 3935. A bill to amend the Fair Labor Standards Act of 1938, as amended, to provide coverage for employees of large enterprises engaged in retail trade or service and of other employers engaged in commerce or in the production of goods for commerce, to increase the minimum wage under the act to $1.25 an hour, and for other purposes. On motion to recommit. Mar. 24, 1961. (Failed.) Yeas 196, nays 224.	Nay.
29	H.R. 3935. A bill to amend the Fair Labor Standards Act of 1938, as amended, to provide coverage for employees of large enterprises engaged in retail trade or service and of other employers engaged in commerce or in the production of goods for commerce, to increase the minimum wage under the act to $1.25 an hour, and for other purposes. On passage. Mar. 24, 1961. Yeas 341, nays 78.	Yea.
30	Call of the House. Mar. 28, 1961	Present.
31	Call of the House. Mar. 29, 1961	Present.
32	S. 1. An act to establish an effective program to alleviate conditions of substantial and persistent unemployment and underemployment in certain economically distressed areas. On motion to recommit. (Widnall substitute.) (Failed.) Mar. 29, 1961. Yeas 127, nays 291.	Yea.
33	S. 1. An act to establish an effective program to alleviate conditions of substantial and persistent unemployment and underemployment in certain economically distressed areas. On passage. Mar. 29, 1961. Yeas 251, nays 167.	Nay.
34	Call of the House. Apr. 11, 1961	Present.
35	Call of the House. Apr. 13, 1961	Present.
36	Call of the House. Apr. 18, 1961	Present.
37	Call of the House. Apr. 19, 1961	Present.
38	S. 912. An act to provide for the appointment of additional circuit and district judges, and for other purposes. On passage. Apr. 19, 1961. Yeas 336, nays 76, present 1.	Yea.
39	Call of the House. Apr. 20, 1961	Absent.
40	H.R. 6027. A bill to improve benefits under the old-age, survivors, and disability insurance program by increasing the minimum benefits and aged widow's benefits and by making additional persons eligible for benefits under the program, and for other purposes. On passage. Apr. 20, 1961. Yeas 400, nays 14.	Nay.
41	Call of the House. Apr. 25, 1961	Present.
42	H.R. 6518. A bill making appropriations for the inter-American social and economic cooperation program and the Chilean reconstruction and rehabilitation program for the fiscal year ending June 30, 1961, and for other purposes. On passage. Apr. 25, 1961. Yeas 329, nays 83.	Yea.
43	Call of the House. Apr. 26, 1961	Present.
44	S. 1. An act to establish an effective program to alleviate conditions of substantial and persistent unemployment and underemployment in certain economically distressed areas. Conference report, on adoption. Apr. 26, 1961. Yeas 224, nays 193.	Nay.
45	Call of the House. May 3, 1961	Absent.
46	H.R. 3935. A bill to amend the Fair Labor Standards Act of 1938, as amended, to provide coverage for employees of large enterprises engaged in retail trade or service and of other employers engaged in commerce or in the production of goods for commerce, to increase the minimum wage under the act to $1.25 an hour, and for other purposes. Conference report, on adoption. May 3, 1961. Yeas 230, nays 196, present 1.	Nay.
47	H.R. 6441. A bill to amend the Federal Water Pollution Control Act to provide for a more effective program of water pollution control. On motion to recommit with instructions. May 3, 1961. (Failed.) Yeas 165, nays 256.	Yea.
48	H.R. 6441. A bill to amend the Federal Water Pollution Control Act to provide for a more effective program of water pollution control. On passage. May 3, 1961. Yeas 308, nays 110.	Nay.
49	Call in committee. May 4, 1961	Present.
50	Call in committee. May 9, 1961	Present.
51	Call of the House. May 10, 1961	Present.
52	Call of the House. May 11, 1961	Present.
53	H.R. 2010. A bill to amend title V of the Agricultural Act of 1949, as amended, and for other purposes. On passage. May 11, 1961. Yeas 231, nays 157.	Yea.
54	H.R. 6094. A bill to amend sec. 4 of the Employment Act of 1946. On motion to recommit with instructions. May 11, 1961. (Failed.) Yeas 152, nays 196.	Yea.
55	H.R. 6094. A bill to amend sec. 4 of the Employment Act of 1946. On passage. May 11, 1961. Yeas 209, nays 137	Nay.
56	Call of the House. May 15, 1961	Absent.
57	Call of the House. May 16, 1961	Absent.
58	H. Res. 284. A resolution providing for the consideration of H.R. 4614, a bill to direct the Secretary of Commerce to take steps to encourage travel to the United States by residents of foreign countries, to establish an Office of International Travel and Tourism, and for other purposes. On agreeing to resolution. May 16, 1961. Yeas 241, nays 70.	Not voting (paired for).
59	Call in committee. May 16, 1961	Absent.
60	Call of the House. May 17, 1961	Present.
61	H. Con. Res. 226. Concurrent resolution expressing the sense of the Congress that such steps as may be necessary should be initiated in the Organization of American States to reevaluate the role of the Government of Cuba in inter-American affairs for the purpose of imposing sanctions under the Inter-American Treaty of Reciprocal Assistance, and for other purposes. On motion to suspend rules and passage. May 17, 1961. Yeas 404, nays 2.	Yea.
62	H.R. 4614. A bill to direct the Secretary of Commerce to take steps to encourage travel to the United Statesby residents of foreign countries, to establish an Office of International Travel and Tourism, and for other purposes. On passage. May 17, 1961. Yeas 305, nays 104.	Nay.
63	Call of the House. May 24, 1961	Present.
64	S.1852. An act to authorize appropriations for aircraft, missiles, and naval vessels for the Armed Forces, and for other purposes. On passage. May 24, 1961. Yeas 402, nays 0.	Yea.
65	H.R. 1986. A bill to repeal the provisions of sec.5 of the act of July 28, 1916, as amended, relating to the furnishing of information to the Postmaster General by the Interstate Commerce Commission with respect to revenue received by railroads from express companies for the transportation of express matter. On motion to recommit with instructions. May 25, 1961. (Failed.) Yeas 16, nays 346.	Nay.
66	Call in committee. June 1, 1961	Absent.

Individual voting record—Subjects of rollcalls, 87th Cong., 1st sess., convened Jan. 3, 1961; adjourned Sept. 27 (legislative day Sept. 26), 1961—Continued

Rollcall No.		Vote
67	H.R. 7371. A bill making appropriations for the Departments of State and Justice, the judiciary, and related agencies for the fiscal year ending June 30, 1962, and for other purposes. On passage. June 1, 1961. Yeas 256, nays 71.	Nay.
68	Call of the House. June 6, 1961	Present.
69	Call in committee. June 6, 1961	Present.
70	H.R. 7444. A bill making appropriations for the Department of Agriculture and related agencies for the fiscal year ending June 30, 1962, and for other purposes. On Reuss amendment (agricultural conservation program) (strike out $250,000,000 and insert $150,000,000). June 6, 1961. (Failed.) Yeas 184, nays 196.	Yea.
71	H.R. 7444. A bill making appropriations for the Department of Agriculture and related agencies for the fiscal year ending June 30, 1962, and for other purposes. On passage. June 6, 1961. Yeas 320, nays 65.	Nay.
72	Call of the House. June 7, 1961	Present.
73	Call of the House. June 8, 1961	Present.
74	Call of the House. June 8, 1961	Present.
75	H.R. 7446. A bill to provide a 1-year extension of the existing corporate normal-tax rate and of certain excise-tax rates. On motion to recommit with instructions (transportation tax repeal). June 8, 1961. (Failed.) Yeas 189, nays 196.	Yea.
76	H.R. 7446. A bill to provide a 1-year extension of the existing corporate normal-tax rate and of certain excise-tax rates. On passage. June 8, 1961. Yeas 295, nays 88.	Nay.
77	Call of the House. June 12, 1961	Present.
78	H.R. 7053. A bill to provide for the admission of certain evidence in the courts of the District of Columbia, and for other purposes. On motion to recommit. June 12, 1961. (Failed.) Yeas 104, nays 252.	Nay.
79	Call of the House. June 13, 1961	Present.
80	Call of the House. June 14, 1961	Present.
81	Call of the House. June 15, 1961	Present.
82	H. Res. 303. A resolution disapproving Reorganization Plan No. 2 transmitted to Congress by the President on Apr. 27, 1961. On agreeing to resolution. June 15, 1961. Yeas 323, nays 77.	Yea.
83	H. Res. 302. A resolution disapproving Reorganization Plan No. 1 transmitted to Congress by the President on Apr. 27, 1961. On agreeing to resolution. June 15, 1961. (Failed.) Yeas 176, nays 212.	Yea.
84	Call of the House. June 19, 1961	Absent.
85	H.R. 6765. A bill to authorize acceptance of an amendment to the articles of agreement of the International Finance Corporation permitting investment in capital stock. On motion to suspend rules and pass. (⅔ required.) June 19, 1961. Yeas 329, nays 18.	Not voting.
86	H.R. 7712. A bill making supplemental appropriations for the fiscal year ending June 30, 1961, and for other purposes. On passage. June 19, 1961. Yeas 292, nays 63.	Not voting (paired against).
87	Call of the House. June 20, 1961	Absent.
88	H. Res. 304. A resolution disapproving Reorganization Plan No. 3 transmitted to Congress by the President on May 3, 1961. On agreeing to resolution. June 20, 1961. (Failed.) Yeas 178, nays 213.	Not voting (paired for).
89	H. Res. 305. A resolution disapproving Reorganization Plan No. 4 transmitted to Congress by the President on May 9, 1961. On agreeing to resolution. June 20, 1961. (Failed.) Yeas 178, nays 221.	Not voting (paired for).
90	Call of the House. June 21, 1961	Present.
91	Call of the House. June 21, 1961	Present.
92	Call in committee. June 21, 1961	Present.
93	Call in committee. June 21, 1961	Present.
94	Call of the House. June 22, 1961	Present.
95	H.R. 6028. A bill to assist in the provision of housing for moderate and low income families, to promote orderly urban development, to extend and amend laws relating to housing, urban renewal, and community facilities, and for other purposes. On motion to recommit with instructions. June 22, 1961. (Failed.) Yeas 197, nays 215, present 2.	Yea.
96	H.R. 6028. A bill to assist in the provision of housing for moderate and low income families, to promote orderly urban development, to extend and amend laws relating to housing, urban renewal, and community facilities, and for other purposes. On passage. June 22, 1961. Yeas 235, nays 178, present 2.	Nay.
97	Call of the House. June 26, 1961	Absent.
98	Call of the House. June 26, 1961	Present.
99	H.R. 7677. A bill to increase for a 1-year period the public debt limit set forth in sec. 21 of the Second Liberty Bond Act. On passage. June 26, 1961. Yeas 237, nays 148.	Nay.
100	Call of the House. June 27, 1961	Absent.
101	Call in committee. June 27, 1961	Present.
102	Call in committee. June 27, 1961	Present.
103	Call in committee. June 28, 1961	Present.
104	H.R. 7851. A bill making appropriations for the Department of Defense for the fiscal year ending June 30, 1962, and for other purposes. On Saylor amendment. June 28, 1961. (Failed.) Yeas 173, nays 239.	Nay.
105	H.R. 7851. A bill making appropriations for the Department of Defense for the fiscal year ending June 30, 1962, and for other purposes. On passage. June 28, 1961. Yeas 412, nays 0.	Yea.
106	S. 1922. An act to assist in the provision of housing for moderate and low income families, to promote orderly urban development, to extend and amend laws relating to housing, urban renewal, and community facilities, and for other purposes. Conference report, on adoption. June 28, 1961. Yeas 229, nays 176.	Nay.
107	H. Res. 354. A resolution to provide for a flag for the Members of the House of Representatives. On agreeing to resolution. June 29, 1961. (Failed.) Yeas 108, nays 270.	Nay.
108	H.J. Res. 225. A joint resolution to grant the consent of Congress to the Delaware River Basin compact and to enter into such compact on behalf of the United States, and for related purposes. On motion to recommit with instructions. June 29, 1961. (Failed.) Yeas 92, nays 257, present 1.	Yea.
109	H.R. 187. A bill to provide for the judicial review of orders of deportation. On motion to suspend rules and pass. (⅔ required.) July 10, 1961. Yeas 304, nays 59.	Yea.
110	H.R. 5786. A bill to provide for the establishment of Cape Cod National Seashore. On motion to suspend rules and pass. (⅔ required.) July 10, 1961. Yeas 278, nays 82.	Nay.
111	Call of the House. July 13, 1961	Present.
112	H.J. Res. 435. A joint resolution to provide for recognition of the centennial of the establishment of the Department of Agriculture, and for other purposes. On motion to suspend rules and pass. (⅔ required.) July 17, 1961. Yeas 367, nays 12.	Yea.
113	H.R. 2555. A bill to provide for allotment and advancement of pay with respect to civilian employees of the United States in cases of emergency evacuations in oversea areas, and for other purposes. On motion to suspend rules and pass. (⅔ required.) July 17, 1961. Yeas 285, nays 87.	Nay.
114	Call of the House. July 19, 1961	Absent.
115	Call in committee. July 19, 1961	Present.
116	H.R. 6874. A bill to authorize appropriations to the National Aeronautics and Space Administration for salaries and expenses, research and development, construction of facilities, and for other purposes. Conference report, on adoption. July 20, 1961. Yeas 354, nays. 59.	Nay.
117	H. Res. 328. A resolution disapproving Reorganization Plan No. 5 transmitted to Congress by the President on May 24, 1961. On agreeing to resolution. July 20, 1961. Yeas 231, nays 179, present 2.	Yea.
118	H. Res. 336. A resolution disapproving Reorganization Plan No. 7 transmitted to Congress by the President on June 12, 1961. On motion to discharge Committee on Government Operations from further consideration of resolution. July 20, 1961. (Failed.) Yeas 184, nays 218.	Yea.
119	H.R. 8302. A bill making appropriations for military construction for the Department of Defense for the fiscal year ending June 30, 1962, and for other purposes. On Yates amendment. (Quartermaster Research and Engineering Center, Natick, Mass.) July 25, 1961. Yeas 241, nays 170.	Nay.
120	H.R. 8302. A bill making appropriations for military construction for the Department of Defense for the fiscal year ending June 30, 1962, and for other purposes. On passage. July 25, 1961. Yeas 409, nays 0.	Yea.
121	Call of the House. July 26, 1961	Present.
122	Call of the House. July 27, 1961	Present.
123	Call of the House. July 31, 1961	Present.
124	S.J. Res. 120. A joint resolution to authorize the President to order units and members in the Ready Reserve to active duty for not more than 12 months, and for other purposes. On agreeing to the joint resolution. July 31, 1961. Yeas 403, nays 2.	Yea.
125	Call of the House. Aug. 1, 1961	Present.
126	Call of the House. Aug. 2, 1961	Present.
127	S. 2311. An act to authorize additional appropriations for aircraft, missiles, and naval vessels for the Armed Forces, and for other purposes. On passage. Aug. 2, 1961. Yeas 406, nays 0.	Yea.
128	H.R. 30. A bill granting the consent and approval of Congress to the northeastern water and related land resources compact. On motion to recommit with instructions. Aug. 2, 1961. (Failed.) Yeas 140, nays 261.	Yea.
129	Call of the House. Aug. 3, 1961	Present.
130	S. 1643. An act to improve and protect farm prices and farm income, to increase farmer participation in the development of farm programs, to adjust supplies of agricultural commodities in line with the requirements therefor, to improve distribution and expand exports of agricultural commodities, to liberalize and extend farm credit services, to protect the interest of consumers, and for other purposes. Conference report, on adoption. Aug. 3, 1961. Yeas 224, nays 170.	Nay.
131	Call in committee. Aug. 3, 1961	Present.

Individual voting record—Subjects of rollcalls, 87th Cong., 1st sess., convened Jan. 3, 1961; adjourned Sept. 27 (legislative day Sept. 26), 1961—Continued

Rollcall No.		Vote
132	H.R. 7856. A bill to amend the Communications Act of 1934, as amended, for the purpose of facilitating the prompt and orderly conduct of the business of the Federal Communications Commission. On passage. Aug. 3, 1961. Yeas 198, nays 151.	Nay.
133	H.R. 7728. A bill to amend title 10, United States Code, to authorize the Secretary of a military department to sell goods and services to the owner of an aircraft or his agent in an emergency, or when in the best interests of the United States, and for other purposes. On motion to suspend rules and pass. (⅔ required.) Aug. 7, 1961. Yeas 307, nays 78.	Nay.
134	Call of the House. Aug. 8, 1961	
135	H. Res. 404. A resolution taking H.R. 7576 from the Speaker's table and agreeing to a conference. On motion that motion to instruct conferees be laid on table. Aug. 8, 1961. (Failed.) Yeas 164, nays 235.	Present. Nay.
136	H. Res. 404. A resolution taking H.R. 7576 from the Speaker's table and agreeing to a conference. On Van Zandt motion instruct conferees on H.R. 7576 not to agree to Senate amendment. ($95,000,000, Hanford, Wash., electric energy generating facilities.) Aug. 8, 1961. Yeas 235, nays 164.	Yea.
137	Call in committee. Aug. 8, 1961	
138	H.R. 8033. A bill to amend section 17 of the Interstate Commerce Act so as to authorize the delegation of certain duties to employees boards. On passage. Aug. 8, 1961. Yeas 212, nays 174.	Present. Nay.
139	Call of the House. Aug. 9, 1961	
140	H. Res. 406. A resolution providing for the consideration of H.R. 6882, a bill to provide for 1 additional Assistant Secretary of Labor in the Department of Labor. On agreeing to resolution. Aug. 9, 1961. Yeas 369, nays 16.	Present. Yea.
141	Call of the House. Aug. 9, 1961	
142	H.R. 6302. A bill to establish a teaching hospital for Howard University, to transfer Freedmen's Hospital to the university, and for other purposes. On passage. Aug. 9, 1961. Yeas 321, nays 61.	Present. Yea.
143	Call of the House. Aug. 10, 1961	
144	H.R. 7851. A bill making appropriations for the Department of Defense for the fiscal year ending June 30, 1962, and for other purposes. Conference report, on adoption. Aug. 10, 1961. Yeas 383, nays 0.	Absent. Not voting.
145	Call in committee. Aug. 10, 1961	
146	Call of the House. Aug. 14, 1961	Absent.
147	Call of the House. Aug. 14, 1961	Absent.
148	Call of the House. Aug. 14, 1961	Absent.
149	Call in committee. Aug. 14, 1961	Absent.
150	Call of the House. Aug. 15, 1961	Absent.
151	Call in committee. Aug. 15, 1961	Absent.
152	Call in committee. Aug. 15, 1961	Absent.
153	Call of the House. Aug. 16, 1961	Present.
154	Call in committee. Aug. 16, 1961	Present.
155	Call of the House. Aug. 17, 1961	Absent.
156	Call of the House. Aug. 18, 1961	Present.
157	H.R. 8400. A bill to promote the foreign policy, security, and general welfare of the United States by assisting peoples of the world in their efforts toward economic and social development and internal and external security, and for other purposes. On passage. Aug. 18, 1961. Yeas 287, nays 140.	Nay.
158	Call of the House. Aug. 21, 1961	Present.
159	Call of the House. Aug. 21, 1961	Present.
160	H.R. 8384. A bill to amend the Federal Aviation Act of 1958 to provide for the application of Federal criminal law to certain events occurring on board aircraft in air commerce. On motion to suspend rules and pass. (⅔ required.) Aug. 21, 1961. Yeas 374, nays 5.	Yea.
161	Call of the House. Aug. 21, 1961	Present.
162	Call of the House. Aug. 22, 1961	Present.
163	Call of the House. Aug. 22, 1961	Present.
164	H.R. 7763. A bill to provide for planning the participation of the United States in the New York World's Fair, to be held at New York City in 1964 and 1965, and for other purposes. On motion to suspend rules and pass. (⅔ required.) Aug. 22, 1961. Yeas 353, nays 42.	Nay.
165	Call of the House. Aug. 23, 1961	Present.
166	Call of the House. Aug. 24, 1961	Present.
167	H.R. 84. A bill to stabilize the mining of lead and zinc by small domestic producers on public, Indian, and other lands, and for other purposes. On passage. Aug. 24, 1961. Yeas 196, nays 172.	Nay.
168	Call in committee. Aug. 24, 1961	Present.
169	H.R. 8181. A bill to authorize the Secretary of the Interior to construct a National Fisheries Center and Aquarium in the District of Columbia. The question is on engrossment and 3d reading of the bill. Aug. 28, 1961. Yeas 223, nays 120.	Nay.
170	H.R. 8181. A bill to authorize the Secretary of the Interior to construct a National Fisheries Center and Aquarium in the District of Columbia. On passage. Aug. 28, 1961. Yeas 208, nays 135.	Nay.
171	H.R. 7176. A bill to provide for a national hog cholera eradication program. On passage. Aug. 28, 1961. Yeas 337, nays 3	Yea.
172	Call of the House. Aug. 29, 1961	Present.
173	H.R. 8773. A bill to amend sec. 265 of the Armed Forces Reserve Act of 1952, as amended (50 U.S.C. 1016), relating to lump-sum readjustment payments for members of the Reserve components who are involuntarily released from active duty, and for other purposes. On passage. Aug. 29, 1961. Yeas 394, nays 0.	Yea.
174	Call of the House. Aug. 29, 1961	Present.
175	H.R. 6242. A bill to amend section 508 of title 28, United States Code, relating to attorneys' salaries. On passage. Aug. 29, 1961. (Failed.) Yeas 172, nays 223.	Not voting (paired against).
176	Call of the House. Aug. 30, 1961	Present.
177	H.R. 8890. A bill to amend Public Law 815 and Public Law 874, 81st Cong., so as to extend their expired provisions for an additional year and to authorize payments under Public Law 815 for school construction in school districts with severe classroom shortages, to extend for 1 year the student loan program of title II of the National Defense Education Act of 1958, and for other purposes. On question of consideration. Aug. 30, 1961. (Failed.) Yeas 170, nays 242.	Nay.
178	Call in committee. Aug. 30, 1961	Present.
179	H.R. 8028. A bill to provide Federal assistance for projects which will evaluate and demonstrate techniques and practices leading to a solution of the Nation's problems relating to the prevention and control of juvenile delinquency and youth offenses and to provide training of personnel for work in these fields, and for other purposes. On Griffin amendment. Aug. 30, 1961. (Failed.) Yeas 187, nays 217.	Yea.
180	S. Con. Res. 34. A concurrent resolution relative to the relationship of the United States with the Republic of China and Communistic China. On agreeing to resolution. Aug. 31, 1961. Yeas 395, nays 0, present 2.	Yea.
181	S. 1983. An act to promote the foreign policy, security, and general welfare of the United States by assisting peoples of the world in their efforts toward economic development and internal and external security, and for other purposes. Conference report, on adoption. Aug. 31, 1961. Yeas 260, nays 132, present 1.	Nay.
182	Call of the House. Sept. 5, 1961	Absent.
183	Call in committee. Sept. 5, 1961	Present.
184	H.R. 9033. A bill making appropriations for foreign assistance and related agencies for the fiscal year ending June 30, 1962, and for other purposes. On Ford amendment. (Strike out $1,300,000,000 and insert $1,600,000,000.) Sept. 5, 1961. Yeas 243, nays 151.	Nay.
185	H.R. 9033. A bill making appropriations for foreign assistance and related agencies for the fiscal year ending June 30, 1962, and for other purposes. On passage. Sept. 5, 1961. Yeas 270, nays 123.	Nay.
186	Call of the House. Sept. 6, 1961	Present
187	Call of the House. Sept. 6, 1961	Present.
188	H.R. 9000. A bill to extend for 2 additional years the expired provisions of Public Laws 815 and 874, 81st Cong., and the National Defense Education Act of 1958, and for other purposes. On motion to suspend rules and pass. (⅔ required.) Sept. 6, 1961. Yeas 378, nays 32.	Yea.
189	Call of the House. Sept. 6, 1961	Present.
190	H.R. 8723. A bill to amend the Welfare and Pension Plans Disclosure Act with respect to the method of enforcement and to provide certain additional sanctions, and for other purposes. On suspension of rules and pass. (⅔ required.) Sept. 6, 1961. Yeas 245, nays 161.	Nay.
191	H.R. 8666. A bill to provide for the improvement and strengthening of the international relations of the United States by promoting better mutual understanding among the peoples of the world through educational and cultural exchanges. On suspension of rules and pass. (⅔ required.) Sept. 6, 1961. Yeas 329, nays 66.	Nay.
192	Call of the House. Sept. 6, 1961	Present.
193	Call of the House. Sept. 11, 1961	Absent.
194	Call of the House. Sept. 12, 1961	Present.
195	Call in committee. Sept. 12, 1961	Present.
196	Call of the House. Sept. 13, 1961	Present.
197	H.R. 8302. A bill making appropriations for military construction for the Department of Defense for the fiscal year ending June 30, 1962, and for other purposes. On Sheppard motion to recede and concur in Senate amendment, with an amendment. (Quartermaster Research and Engineering Center, Natick, Mass.) Sept. 13, 1961. Yeas 212, nays 185.	Nay.
198	H.R. 7371. A bill making appropriations for the Departments of State and Justice, the judiciary, and related agencies for the fiscal year ending June 30, 1962, and for other purposes. On motion to recede and concur in Senate amendment No. 25, with an amendment. (Civil Rights Commission—extension.) Sept. 13, 1961. Yeas 300, nays 106.	Yea.

Individual voting record—Subjects of rollcalls, 87th Cong., 1st sess., convened Jan. 3, 1961; adjourned Sept. 27 (legislative day Sept. 26), 1961—Continued

Rollcall No.		Vote
199	H.R. 9076. A bill making appropriations for civil functions administered by the Department of the Army, certain agencies of the Department of the Interior, the Atomic Energy Commission, the Tennessee Valley Authority, and certain study commissions, for the fiscal year ending June 30, 1962, and for other purposes. On motion to recommit with instructions. (Transmission lines and facilities.) Sept. 13, 1961. (Failed.) Yeas 182, nays 225.	Yea.
200	H.R. 9076. A bill making appropriations for civil functions administered by the Department of the Army, certain agencies of the Department of the Interior, the Atomic Energy Commission, the Tennessee Valley Authority, and certain study commissions, for the fiscal year ending June 30, 1962, and for other purposes. On passage. Sept. 13, 1961. Yeas 378, nays 31.	Nay.
201	Call of the House. Sept. 13, 1961	Present.
202	H.R. 7576. A bill to authorize appropriations for the Atomic Energy Commission in accordance with sec. 261 of the Atomic Energy Act of 1954, as amended, and for other purposes. Conference report, on adoption. (Failed.) Yeas 157, nays 251.	Nay.
203	H.R. 8102. A bill to amend the Federal Airport Act so as to extend the time for making grants under the provisions of such act, and for other purposes. On motion to recede from its disagreement to Senate amendment and agree to same with an amendment. Sept. 13, 1961. Yeas 398, nays 4.	Yea.
204	Call of the House. Sept. 14, 1961	Present.
205	H.R. 7500. A bill to provide for a Peace Corps to help the peoples of interested countries and areas in meeting their needs for skilled manpower. On passage. Sept. 14, 1961. Yeas 288, nays 97, present 3.	Nay.
206	Call of the House. Sept. 15, 1961	Absent.
207	H. Res. 455. A resolution taking H.R. 2010 from the Speaker's table and agreeing to the conference. On agreeing to resolution. Sept. 15, 1961. Yeas 243, nays 135.	Not voting.
208	H. Res. 464. A resolution providing for the consideration of H.R. 7927, a bill to adjust postal rates, and for other purposes. On previous question. Sept. 15, 1961. (Failed.) Yeas 142, nays 222, present 2.	Not voting.
209	Call of the House. Sept. 16, 1961	Absent.
210	S. 2393. An act to extend for 2 additional years the expired provisions of Public Laws 815 and 874, 81st Cong., and the National Defense Education Act of 1958, and for other purposes. On motion to suspend rules and pass. (⅔ required.) Sept. 18, 1961. Yeas 342, nays 18.	Yea.
211	S. 1459. An act to amend the provisions of law relating to longevity step increases for postal employees. On motion to suspend rules and pass. (⅔ required.) Sept. 18, 1961. Yeas 362, nays 4.	Yea.
212	H.R. 5751. A bill to amend the Subversive Activities Control Act of 1950 so as to require the registration of certain additional persons disseminating political progaganda within the United States as agents of a foreign principal, and for other purposes. On motion to suspend rules and pass. (⅔ required.) Sept. 18, 1961. Yeas 369, nays 2.	Yea.
213	H.R. 8914. A bill to amend subsec. (d) of sec. 16 of the Soil Conservation and Domestic Allotment Act, as amended. On motion to suspend rules and pass. (⅔ required.) Sept. 18, 1961. (Failed.) Yeas 213, nays 151.	Nay.
214	H.R. 7377. A bill to increase the limitation on the number of positions which may be placed in the top grades of the Classification Act of 1949, as amended, and on the number of research and development positions of scientists and engineers for which special rates of pay are authorized, and for other purposes. On motion to suspend rules and pass. (⅔ required.) Sept, 18, 1961. Yeas 305, nays 53.	Nay.
215	Call of the House. Sept. 19, 1961	Present.
216	H.R. 9118. A bill to establish a U.S. Arms Control Agency. On passage. Sept. 19, 1961. Yeas 290, nays 54	Nay.
217	Call of the House. Sept. 20, 1961	Present.
218	Call of the House. Sept. 20, 1961	Present.
219	H.R. 7500. A bill to provide for a Peace Corps to help the peoples of interested countries and areas in meeting their needs for skilled manpower. Conference report, on adoption. Sept. 21, 1961. Yeas 253, nays 79.	Nay.
220	H.R. 5628. A bill to provide for a study and investigation of the desirability and feasibility of establishing and maintaining a National Tropical Botanic Garden. On motion to suspend rules and pass. Sept. 21, 1961. (⅔ required.) (Failed.) Yeas 215, nays 125.	Nay.
221	H.R. 4172. A bill to provide for the establishment of a Federal Advisory Council on the Arts to assist in the growth and development of the fine arts in the Nation's Capital and elsewhere in the United States. On motion to suspend rules and pass. Sept. 21, 1961. (⅔ required.) (Failed.) Yeas 166, nays 173.	Nay.
222	Call of the House. Sept. 22, 1961	Present.
223	H.R. 258. A bill to amend the District of Columbia Sales Tax Act to increase the rate of tax imposed on certain gross receipts, to amend the District of Columbia Motor Vehicle Parking Facility Act of 1942 to transfer certain parking fees and other moneys to the highway fund, and for other purposes. Conference report, on adoption. Sept. 22, 1961. (Failed.) Yeas 142, nays 159.	Nay.
224	Call of the House. Sept. 23, 1961	Present.
225	H.R. 7377. A bill to increase the limitation on the number of positions which may be placed in the top grades of the Classification Act of 1949, as amended, and on the number of research and development positions of scientists and engineers for which special rates of pay are authorized; to fix the compensation of hearing examiners; and for other purposes. Conference report, on adoption. Sept. 23, 1961. Yeas 229, nays 71.	Nay.
226	H.R. 9118. A bill to establish a U.S. Arms Control Agency. Conference report, on adoption. Sept. 23, 1961. Yeas 253, nays 50	Nay.
227	Call of the House. Sept. 26, 1961	Present.
228	Call of the House. Sept. 26, 1961	Present.
229	H.R. 258. A bill to amend the District of Columbia Sales Tax Act to increase the rate of tax imposed on certain gross receipts, to amend the District of Columbia Motor Vehicle Parking Facility Act of 1942 to transfer certain parking fees and other moneys to the highway fund, and for other purposes. Conference report, on adoption. Sept. 26, 1961. (Failed.) Yeas 97, nays 173.	Nay.
230	H.R. 9033. A bill making appropriations for foreign assistance and related agencies for the fiscal year ending June 30, 1962, and for other purposes. Conference report, on adoption. Sept. 26, 1961. Yeas 192, nays 81, present 3.	Nay.
231	H.R. 9033. A bill making appropriations for foreign assistance and related agencies for the fiscal year ending June 30, 1962, and for other purposes. Conference report, on motion to recede and concur in Senate amendment No. 27 with an amendment. (General provisions—certification of certain data.) Sept. 26, 1961. Yeas 152, nays 119, present 1.	Nay.

Is the Area Redevelopment Program Needed in East Texas? What Are the Facts of Employment, Purchasing Power, New Industries, and Displaced Families?

EXTENSION OF REMARKS

OF

HON. WRIGHT PATMAN

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 27, 1961

Mr. PATMAN. Mr. Speaker, passage of the area redevelopment bill has set off a furor in Texas, particularly in east Texas.

No sooner had the legislation become law than some of the Texas newspapers, particularly the big metropolitan dailies, began condemning the legislation as unwanted and unneeded. Indeed, some of the newspapers, reporting that 41 counties in east Texas had been designated as "distressed areas" or "depressed areas," declared that the Federal Government had heaped "insults" on these communities, as a forerunner to unwanted Federal intervention in local affairs.

On August 23, the East Texas Chamber of Commerce, meeting at Tyler, Tex., adopted resolutions declaring that the Secretary of Commerce had "arbitrarily" designated 41 counties in the region served by this organization as "distressed areas" without any such designation being either sought or desired by the counties themselves, and demanding that this "odious designation" be withdrawn. These resolutions further suggested that no Federal assistance was needed or wanted in these counties. They made claims that Texas, and east Texas in particular, is leading the Nation in the number of new industrial plants and plant expansions and in the creation of new job opportunities. Figures were cited to show the number of new industrial plants and plant expansions in Texas and east Texas.

Specifically, this resolution states:

And keeping in mind that the State of Texas leads the Nation in the number of new industrial plants and plant expansions and in the creation of new job opportunities not only during the calendar year 1960, but for the first 6 months of the current year.

And in view of the fact that out of a total of 378 new industrial plants established in the State of Texas during 1960, 235 of them were located in east Texas, even though the East Texas Chamber of Commerce region comprises only 20 percent of the geographical area of the State; as against 143 new industrial plants located in the other 80 percent of the State.

And taking note of the fact that out of a total of 487 industrial plant expansions, during the same period, 299 were located in east Texas as against 188 for the rest of the State.

In contrast to this glowing description of economic conditions in the 71 counties of east Texas, some of the smalltown newspapers of the region have posed questions of this kind:

If job opportunities are so plentiful, why are so many people in our hometown unem-

ployed, and why are so many people moving away in search of jobs?

I have been doing some research into these questions, to try to find out what the facts are, and I think I now have the facts rather clearly.

Before citing them, however, let me point out why the figures on new industrial plants and plant expansions fail to answer the question whether or not there is a need—even great need—in east Texas for the Federal assistance available under the area redevelopment program.

NUMBER OF NEW INDUSTRIAL PLANTS DOES NOT REFLECT NEED FOR JOB OPPORTUNITIES

First, a simple count of new plant and plant expansions does not tell us anything about how many new jobs are created. A majority of these so-called plants are very small shops which will hire half a dozen people or so—many even less.

Second, a simple count of new plants and plant expansions does not tell us how many previously existing businesses have gone out of business in the same period the new business units were being created.

Third, a count of new plants and plant expansions refers only to industrial plants. It gives no information about the greater source of jobs in service establishments, or on farms, or in the professional services. Nor, of course, does the number of new and expanded industrial plants tell us anything about the total number of jobs that may be needed to provide employment for the people of the region.

Finally—and this proves to be most important—a simple count of the number of new industrial plants and plant expansions in the whole of the 71 counties tells us nothing about employment or other economic conditions in the individual counties. The area comprising the 71 counties of east Texas is larger than several whole States on the eastern seaboard, and these counties differ from one another in vast degree. A few contain large cities, such as Dallas, in Dallas County; Galveston and Texas City in Galveston County; Houston and Baytown in Harris County; Beaumont and Port Arthur in Jefferson County; Waco in McLendon County; and Austin in Travis County. But the majority of this vast area is made up of rural, smalltown, and small-city communities.

In order to obtain a clearer picture of what the employment trends have been in these counties, I have obtained from the Texas Employment Commission information on the number of business establishments, the number of employees, and the wages paid in each county over a series of years back to 1956. The Texas Employment Commission data cover not just industrial establishments, but all kinds of establishments—including retail establishments, and so on—where the establishment has four or more employees. In addition, I have compared the population changes as reported to the Bureau of the Census and the estimates of income, or what is called "Effective Buying Power," as reported by Sales Management magazine.

The facts, in a nutshell, are these: A few large cities—particularly Dallas and Houston—have indeed been growing very rapidly. New industrial plants, many new businesses of all kinds, have come in; employment has been growing rapidly and, indeed, the populations of the big cities are increasing enormously. People have been moving into the cities from the small town and rural areas. They have had to, in order to obtain jobs.

In contrast, however, the overwhelming percentage of the smaller towns and rural areas of east Texas are going downhill. In most of these counties employment in the first quarter of the present year was less than it was a year ago, 2 years ago, and even 5 years ago. Thus there have been fewer jobs, despite the fact that the population tends to increase at a rate of about 20 percent each decade, and the number of persons of employment age tends consistently to increase. What is happening, in fact, however, is that the populations of most of these counties are actually declining, because families are being forced to move away in search of employment opportunities.

In many of the 71 counties of east Texas, purchasing power has actually gone down within the past year.

DISPLACED POPULATION A NATIONAL PROBLEM

These basic facts as to these differences between the big cities and the small towns and rural areas have, I am afraid, been overlooked by the East Texas Chamber of Commerce and by many other well-meaning groups who are no less concerned about progress and expanding economic opportunities.

New businesses and new job opportunities in the big cities are no solutions to the problems of declining economic opportunities in the small cities, towns, and rural areas. Some people are adventurous, it is true—like to move to the city and can readily do so. But a great many families in the smalltown and rural areas cannot easily move, and will not move until extreme pressures force them to move. They have ties of many kinds holding them to the community, including, in many cases, a home and a home mortgage which they cannot readily leave. The fact is that we will have extremely serious unemployment and underemployment in these communities so long as nothing is done to expand economic opportunities on a decentralized basis.

On the other side of the coin, the huge migration to the cities is also causing great problems for the city governments and the State governments and for the people concerned. There is too little room, too little police protection and social services, and too little money in the city budgets to meet the great financial demands that this movement of population—frequently unemployed population—places upon them.

What we are dealing with here is not a trend peculiar to Texas, but one which is creating grave problems throughout the Nation. Almost everywhere the story is the same—people are being pushed out of the small towns and rural areas of America and are piling into the great cities, causing overcrowding and all of the other social and economic problems associated with the big cities. For at least 20 years now people have been moving away from the farms and into the cities at a rate of about a million people a year. Clearly the Nation is reaching a crisis. Something must be done to help create new kinds of economic activity and expanding job opportunities in the rural and smalltown communities.

EISENHOWER ADMINISTRATION RECOGNIZED THAT 41 COUNTIES OF EAST TEXAS NEED FEDERAL ASSISTANCE

I might add that the Department of Agriculture has long recognized this problem, though when it had the problem to itself, under the previous administration, it did not recognize it to the extent that it was willing to urge the kind of steps that are needed to cope with the problem.

Incidentally, the Secretary of Commerce has not designated any area in Texas as a "distressed area" or as a "depressed area." He has called them only "redevelopment areas," meaning areas of serious unemployment or underemployment—just as has the Department of Agriculture since 1955.

Furthermore, the Secretary of Commerce has not arbitrarily designated the 41 counties of east Texas as redevelopment areas under the Area Redevelopment bill these areas were automatically designated as eligible to participate in Federal assistance by virtue of the fact that they had been designated as "redevelopment areas"—under the Rural Areas Development program adopted by the Department of Agriculture in 1955 and operated throughout the Eisenhower administration. In other words, even the Eisenhower administration recognized these 41 Texas counties as areas of serious unemployment—as areas needing Federal assistance and efforts to create new economic opportunities—although, of course, the Federal assistance offered during the Eisenhower administration did not involve any financial assistance.

It should be made clear also that under the new area redevelopment program the Federal Government will not force any Federal assistance on any area. Under this program areas suffering from severe unemployment are recognized as eligible for Federal assistance, in certain kinds of projects, which the local communities must themselves propose and must help to finance.

CONTRASTS BETWEEN EXPANDING EMPLOYMENT IN BIG CITIES AND DECLINING OPPORTUNITY IN OTHER EAST TEXAS COMMUNITIES

Now let me point out more specifically just what has been happening in the rural and smalltown areas of east Texas, as compared to the few big cities.

In the decade 1950–60, the population of the two largest counties increased by 54 percent. These are the counties in which Dallas and Houston are centered. In contrast, the population of the other 69 counties increased by only 5 percent, while the population of the Nation as a whole was growing by 19 percent.

If we omit from our totals of east Texas the 4 largest counties—Harris, Dallas, Jefferson, and Travis—we find that the population in the other 67 counties increased in the decade by only 1 percent.

Between 1959 and 1960 the total effective buying income—that is, income after taxes—as estimated by Sales Management magazine, increased by 15 percent in the 2 largest counties, but by only 3 percent in the other 69 counties as a whole. Omitting all 6 of the big-city counties from our totals for east Texas, we find the total effective income actually declined in the other 65 counties, by almost 2 percent.

In the 11 counties of the First Congressional District of Texas—counties in which I am naturally especially interested—effective buying income dropped by 8 percent. This was in a period when effective buying income in the Nation as a whole increased by 7 percent. Whatever may have been done by the East Texas Chamber of Commerce to bring new industries into Dallas and Houston, and perhaps into three or four other cities, this obviously has not solved our problem in the First Congressional District, in view of an 8 percent total decline in income.

I might add that, according to the Texas Employment Commission, employment in these 11 counties actually decreased by 4 percent between the first quarter of 1960 and the first quarter of 1961. So, in the year when the East Texas Chamber of Commerce can boast of many new industrial plants in some parts of east Texas, employment in the 11 counties of my district actually declined by 4 percent. Furthermore, total wages paid in these 11 counties dropped by 3 percent.

The basic data from which I have drawn these remarks appear in the tables to follow.

The first table summarizes data for population, total and per capita income, business establishments, employment and wages for the 71 counties of east Texas, for the State of Texas, and for the United States as a whole. The 71 counties of east Texas are compared in several different ways:

First, the counties containing the 2 largest cities are compared with the totals of the other 69 counties; second, the 6 big-city counties are compared with the other 65 counties. In addition, separate totals are shown for the 11 counties of the First Congressional District of Texas.

The table is as follows:

TABLE 1.—*Population, estimated effective buying income, business establishments, employment and wages, selected counties in east Texas, the State of Texas, and the United States (dates as specified)*

	East Texas						Texas total	U.S. total
	71 east Texas counties	2 counties versus 69		6 counties versus 65		11 counties of 1st Congressional District		
		2 large city counties	69 other counties	6 large city counties	65 other counties			
Population:								
April 1950 [1]	3,713,547	1,421,500	2,292,047	2,020,823	1,692,724	276,945	7,711,194	150,607,361
April 1960	4,610,668	2,194,685	2,415,983	2,942,935	1,667,733	245,942	9,579,677	179,323,175
Estimated effective buying income (thousands of dollars):								
1955	$6,319,724	$3,443,870	$2,875,854	$4,504,256	$1,815,468	$254,882	$12,938,800	$265,601,325
1957	$6,945,371	$3,869,391	$3,075,980	$4,996,919	$1,948,452	$277,739	$14,287,425	$298,254,624
1959	$7,649,856	$4,126,016	$3,523,840	$5,368,097	$2,281,759	$319,895	$15,712,535	$333,381,285
1960	$8,354,844	$4,735,907	$3,618,937	$6,108,477	$2,246,367	$295,382	$16,888,189	$358,100,646
Estimated per capita, effective buying income: [2]								
1955	$1,498	$1,843	$1,224	$1,761	$1,094	$959	$1,449	$1,602
1957	$1,571	$1,903	$1,288	$1,829	$1,154	$1,041	$1,528	$1,734
1959	$1,646	$1,933	$1,402	$1,867	$1,287	$1,154	$1,601	$1,866
1960	$1,790	$2,108	$1,494	$2,033	$1,350	$1,214	$1,740	$1,974
Business establishments (number): [3]								
Mar. 31, 1956	33,262	17,023	16,239	22,299	10,963	1,609	62,031	1,867,768
Mar. 31, 1958	37,638	19,708	17,930	25,692	11,946	1,689	70,118	2,092,998
Mar. 31, 1960	39,798	21,122	18,676	27,404	12,394	1,765	74,705	2,281,876
Mar. 31, 1961	40,757	21,741	19,016	28,174	12,583	1,813	(4)	(4)
Average employment in 1st quarter of year (number): [3]								
1956	917,782	569,313	348,469	713,763	204,019	32,707	1,622,448	37,586,000
1958	966,629	609,477	357,152	765,467	201,162	31,596	1,812,868	40,039,000
1960	917,954	564,252	353,702	714,542	203,412	32,609	1,861,146	41,967,000
1961	983,522	628,933	354,589	780,914	202,608	31,265	(4)	(4)
Wages paid in 1st quarter of year (thousands of dollars): [3]								
Mar. 31, 1956	$911,874	$602,324	$309,550	$742,604	$169,270	$26,475	$1,542,462	$38,826,070
Mar. 31, 1958	$1,035,823	$693,889	$341,934	$855,933	$179,890	$27,573	$1,859,009	$43,985,803
Mar. 31, 1960	$1,111,953	$760,238	$351,715	$921,682	$190,271	$31,216	$2,005,022	$49,946,685
Mar. 31, 1961	$1,150,756	$783,463	$367,293	$953,993	$196,763	$30,338	(4)	(4)

[1] Bureau of the Census, census of population.
[2] Sales Management magazine.
[3] Texas Employment Commission (data are for business establishments with 4 or more employees).
[4] Not available.

The second table shows for each county employment and wages paid in the first quarter of each of several selected years, as reported by the Texas Employment Commission. The counties are arranged in alphabetical order, except that the 11 counties of the First Congressional District of Texas appear separately.

This table shows that employment in the 11 counties of the First Congressional District of Texas in the first quarter of this year was not only less than it was a year ago, it was even substantially less than employment 5 years ago in 1956.

TABLE 2.—*Employment and wages in establishments having 4 or more employees 1st quarter of the year, 1956, 1958, 1960, and 1961*

[Dollars in thousands]

	Average employment in 1st quarter				Wages in 1st quarter of year			
	1956	1958	1960	1961	1956	1958	1960	1961
71 counties, total	917,782	966,629	917,954	983,522	$911,874	$1,035,823	$1,111,953	$1,150,756
6 big-city counties, total	713,763	765,467	714,542	780,914	742,604	855,933	921,682	953,993
Dallas	269,406	285,741	265,352	298,870	275,494	318,190	351,223	362,822
Galveston	29,638	33,428	31,027	31,794	27,539	33,896	34,968	36,969
Harris	299,907	323,736	298,900	330,063	326,830	375,699	409,015	420,641
Jefferson	60,560	67,876	59,816	61,153	68,959	82,749	74,110	80,258
McLennan	25,372	24,641	25,912	26,056	21,798	21,449	24,504	24,986
Travis	28,880	30,045	33,535	32,978	21,984	23,950	27,862	28,317

TABLE 2.—*Employment and wages in establishments having 4 or more employees 1st quarter of the year, 1956, 1958, 1960, and 1961*—Continued

[Dollars in thousands]

	Average employment in 1st quarter				Wages in 1st quarter of year			
	1956	1958	1960	1961	1956	1958	1960	1961
11 counties of 1st Congressional District, total	32,707	31,596	32,609	31,265	$26,475	$27,573	$31,216	$30,338
Bowie	9,134	7,353	7,283	7,386	6,853	5,837	5,818	6,349
Cass	1,383	1,320	1,261	1,338	959	964	937	1,010
Delta	186	153	194	258	107	81	113	197
Franklin	458	359	310	244	304	313	338	276
Harrison	7,281	7,466	8,360	8,233	6,235	7,312	9,130	9,609
Hopkins	1,629	1,684	1,804	1,794	1,129	1,225	1,351	1,316
Lamar	4,386	5,276	4,869	4,764	2,853	3,861	3,768	3,733
Marion	672	639	481	488	482	556	381	414
Morris	4,831	4,343	5,143	3,665	5,593	5,224	7,082	4,940
Red River	792	851	824	924	408	478	547	599
Titus	1,955	2,152	2,080	2,171	1,552	1,722	1,751	1,895
65 counties, total	204,019	201,162	203,412	202,608	169,270	179,890	190,271	196,763
11 counties of 1st Congressional District, total	32,707	31,596	32,609	31,265	26,475	27,573	31,216	30,338
54 other counties:								
Anderson	2,749	2,988	3,046	2,895	1,963	2,455	2,550	2,445
Angelina	9,231	7,964	8,021	7,667	8,032	7,415	7,822	7,274
Bell	8,933	8,271	8,699	8,869	6,550	6,190	6,961	7,113
Brazoria	13,929	15,640	13,930	16,179	16,908	20,898	19,673	24,435
Burleson	285	356	405	415	133	162	230	240
Camp	553	583	610	585	312	352	379	372
Chambers	1,192	1,691	1,389	1,286	1,250	2,251	1,861	1,691
Cherokee	3,979	3,836	3,571	3,516	2,532	2,767	2,724	2,715
Collin	3,292	3,506	3,886	4,147	2,246	2,494	3,031	3,528
Ellis	4,232	4,658	5,132	4,750	2,969	3,425	4,091	3,731
Falls	1,547	1,628	1,351	1,367	774	877	749	759
Fannin	2,064	2,089	2,336	2,194	1,240	1,439	1,839	1,847
Freestone	599	855	832	727	401	672	570	472
Grayson	11,119	11,796	11,590	11,148	8,738	9,962	10,163	9,919
Gregg	14,733	14,517	14,796	14,583	13,869	13,801	14,742	15,160
Grimes	762	807	846	794	470	552	621	646
Hardin	2,728	2,723	2,944	2,654	2,083	2,354	2,622	2,269
Henderson	2,118	2,274	2,089	2,496	1,559	1,824	1,646	2,129
Hill	1,835	1,752	1,589	1,738	1,118	1,129	1,082	1,237
Houston	3,686	1,214	1,278	1,411	3,354	875	905	949
Hunt	4,725	4,934	5,903	6,087	3,351	3,945	5,364	5,972
Jasper	2,690	2,712	2,752	2,693	2,246	2,470	2,550	2,607
Kaufman	2,194	1,884	1,858	1,742	1,394	1,325	1,299	1,360
Lee	316	302	446	464	155	159	302	252
Leon	266	321	330	337	130	153	165	177
Liberty	4,825	4,032	4,137	3,471	4,138	3,448	3,747	3,311
Limestone	2,012	1,871	1,788	1,710	1,382	1,346	1,284	1,282
Madison	341	547	562	499	206	351	389	394
Milam	3,296	2,843	2,517	2,462	3,509	3,008	2,835	2,984
Montgomery	3,246	2,846	2,697	2,508	2,540	2,387	2,211	2,244
Nacogdoches	3,537	3,305	3,302	3,474	2,467	2,478	2,568	2,649
Navarro	5,121	4,607	4,574	4,383	3,847	3,580	3,474	3,360
Newton	547	552	510	560	280	321	307	317
Orange	9,661	11,131	9,784	11,012	10,869	13,685	13,092	15,300
Panola	1,352	1,279	1,173	1,190	1,161	1,164	1,159	1,224
Polk	1,712	1,558	1,639	1,573	1,095	1,116	1,308	1,208
Rains	95	60	77	43	51	26	41	17
Robertson	1,007	982	963	1,014	759	744	679	816
Rockwall	442	356	552	391	374	419	609	423
Rusk	4,278	4,343	4,423	3,983	3,758	4,199	4,012	3,820
Sabine	676	1,058	927	905	445	790	643	628
San Augustine	423	595	514	440	244	354	362	298
San Jacinto	138	132	143	129	89	97	94	96
Shelby	2,243	1,923	1,987	1,916	1,461	1,234	1,301	1,284
Smith	14,781	14,205	15,682	15,740	12,484	13,024	15,220	15,657
Trinity	468	390	486	386	244	200	292	216
Tyler	1,014	906	876	1,032	571	547	579	678
Upshur	902	923	1,043	1,034	547	592	679	735
Van Zandt	1,449	1,447	1,563	1,482	1,169	1,279	1,385	1,224
Walker	1,227	1,415	1,416	1,472	719	991	935	1,050
Waller	747	726	709	794	655	684	713	813
Washington	1,753	1,848	2,077	2,107	997	1,158	1,413	1,412
Williamson	2,605	2,607	2,867	2,928	1,584	1,666	1,880	1,944
Wood	1,747	1,778	2,126	1,961	1,373	1,483	1,903	1,742

Finally, the third table shows for each county the population in 1950, and again in 1960, together with the total effective buying income, as estimated by Sales Management magazine, in 1959 and in 1960:

TABLE 3.—*Population, 1950 and 1960, and estimated effective buying income, 1959 and 1960, 71 counties of east Texas*

	Population		Effective buying income	
	1950	1960	1959	1960
			Thousands	*Thousands*
6-county total	2,020,823	2,942,935	$5,368,097	$6,108,477
2 largest counties:				
Dallas	614,799	951,527	1,812,907	2,141,158
Harris	806,701	1,243,158	2,313,109	2,594,749
Next 4 largest counties:				
Galveston	113,066	140,364	220,482	264,652
Jefferson	195,083	245,659	453,261	484,680
McLennan	130,194	150,091	223,324	239,972
Travis	160,980	212,136	345,014	383,266
11 counties of 1st Congressional District, total	276,945	245,942	$319,895	$295,382
Bowie	61,966	59,971	84,944	80,933
Cass	26,732	23,496	23,346	24,266
Delta	8,964	5,860	7,737	7,115
Franklin	6,257	5,101	5,849	5,156
Harrison	47,745	45,594	60,800	55,002
Hopkins	23,490	18,594	28,378	24,387
Lamar	43,033	34,234	47,857	41,315
Marion	10,172	8,049	8,889	8,255
Morris	9,433	12,576	11,747	13,629
Red River	21,851	15,682	18,329	15,242
Titus	17,302	16,785	22,019	20,072

TABLE 3.—*Population, 1950 and 1960, and estimated effective buying income, 1959 and 1960, 71 counties of east Texas*—Continued

	Population		Effective buying income	
	1950	1960	1959	1960
			Thousands	*Thousands*
54 other counties, total	1,415,779	1,421,791	$1,961,864	$1,950,985
Anderson	31,875	28,162	41,182	36,265
Angelina	36,032	39,814	54,540	54,573
Bell	73,824	94,097	175,949	174,774
Brazoria	46,549	76,204	114,281	132,086
Burleson	13,000	11,177	11,908	12,104
Camp	8,740	7,849	9,889	8,413
Chambers	7,871	10,379	12,641	16,621
Cherokee	38,694	33,120	41,142	37,664
Collin	41,692	41,247	56,217	53,040
Ellis	45,645	43,395	59,009	61,232
Falls	26,724	21,263	25,896	23,229
Fannin	31,253	23,880	28,606	26,801
Freestone	15,696	12,525	17,333	13,832
Grayson	70,467	73,043	119,779	113,037
Gregg	61,258	69,436	124,655	118,589
Grimes	15,135	12,709	14,977	13,728
Hardin	19,535	24,629	29,782	32,040
Henderson	23,405	21,786	27,994	25,088
Hill	31,282	23,650	37,788	33,178
Houston	22,825	19,376	21,422	20,588
Hunt	42,731	39,399	54,904	54,562
Jasper	20,049	22,100	22,771	24,552
Kaufman	31,170	29,931	31,208	34,424
Lee	10,144	8,949	10,041	9,437
Leon	12,024	9,951	12,548	10,337
Liberty	26,729	31,595	38,635	43,825
54 other countries—Continued				
Limestone	25,251	20,413	$23,730	$22,462
Madison	7,996	6,749	7,233	7,344
Milam	23,585	22,263	25,004	24,362
Montgomery	24,504	26,839	32,593	34,798
Nacogdoches	30,326	28,046	38,967	34,171
Navarro	39,916	34,423	47,664	45,424
Newton	10,832	10,372	9,363	9,960
Orange	40,567	60,357	94,188	99,436
Panola	19,250	16,870	22,166	21,168
Polk	16,194	13,861	17,662	16,592
Rains	4,266	2,993	3,330	3,028
Robertson	19,908	16,157	19,518	17,618
Rockwall	6,156	5,878	6,622	6,766
Rusk	42,348	36,421	57,114	50,427
Sabine	8,568	7,302	7,496	7,718
San Augustine	8,837	7,722	6,661	6,819
San Jacinto	7,172	6,153	6,427	5,865
Shelby	23,479	20,479	24,877	22,068
Smith	74,701	86,350	123,325	129,630
Trinity	10,040	7,539	8,504	7,903
Tyler	11,292	10,666	12,833	12,398
Upshur	20,822	19,793	19,819	22,209
Van Zandt	22,593	19,091	23,504	23,524
Walker	20,163	21,475	20,834	27,285
Waller	11,961	12,071	17,926	18,722
Washington	20,542	19,145	20,034	21,478
Williamson	38,853	35,044	47,356	44,853
Wood	21,308	17,653	22,017	22,938

Source: Population from Bureau of the Census; effective buying income from Sales Management magazine.

Ammunition

EXTENSION OF REMARKS
OF
HON. THOMAS J. DODD
OF CONNECTICUT
IN THE SENATE OF THE UNITED STATES
Wednesday, September 27, 1961

Mr. DODD. Mr. President, there has come to my attention an excellent article on the question of U.S. trade with Iron Curtain countries in strategic materials. This article appeared in a new weekly newsletter entitled "Ammunition," published and edited by Mrs. George W. Malone, wife of the late Senator from Nevada, and Martha Rountree, the well-known news commentator.

This is an extremely interesting and alarming article which should give the American people some idea of the variety of critical materials we are shipping behind the Iron Curtain where we can be sure they are being used to build up the cold war machine of the Communists.

Mr. President, I ask unanimous consent to include in the Appendix of the RECORD issue 3 of the newsletter "Ammunition."

There being no objection, the newsletter was ordered to be printed in the RECORD, as follows:

AMMUNITION

In the interest of our national security, Ammunition believes the American people should know that the Department of Commerce is daily issuing export licenses to American firms for the shipment of strategic materials to the enemy. Many of these materials have military use and potential.

The State Department, the Department of Agriculture and the Department of Defense are all a party to the issuance of these licenses. They have intervened directly in making decisions on such exports, and in using pressure to resist an investigation by Congress.

Recently the press reported that there had been an 800-percent increase in the number of export licenses issued for the shipment of goods to Iron Curtain countries. The report came just 3 weeks after the President's "Hard Line on Berlin" speech of July 25, 1961.

The Department of Commerce wasted no time in denying the report. Secretary of Commerce Luther Hodges said that the increase was only 400 percent.

Whether the increase was 400 percent or 800 percent is not the issue. The issue seems to be: Why should we permit the shipment of warmaking materials to Iron Curtain countries? We still remember the scrap iron and steel we sold to Japan in 1939, which came back to us in the form of bullets and bombs.

Also we are shipping farm surpluses to Russia at the expense of the American taxpayer. When asked about it, Secretary of Agriculture Orville Freeman replied: "We can't let them starve, can we?" The story is unbelievable, but true.

The Senate Internal Security Subcommittee is currently holding hearings on this matter and the House of Representatives has established a select committee to investigate the situation. Congress now stands adjourned until next January. So, regardless of the findings of this committee, regardless of how shocking the investigation may be, nothing can be done about these shipments until Congress comes back in January. And, even then, it will mean that legislative proposals will have to be made to the proper committees, study will have to be given such proposals, and then, once out of committee, action will come only after a scheduling for floor action. In the meantime, months will have gone by. The enemy will have been profiting at our expense. The Soviet military buildup will be getting strategic war materials which they badly need.

Only the President of the United States can do anything about the matter right now. Although the President is responsible for foreign policy, a President must delegate. As it stands, the policy covering exports to Communist nations is not a top-level decision. Somewhere in the State Department and other departments there are those who support active trading with the very nations whose leaders are bent on our destruction under the guise of easing world tensions.

I. WHAT ARE WE SENDING OUR ENEMIES?

In the matter of a few months, our American policies on trading with the enemy have been drastically changed. They have been changed so quietly that few have been aware of the significance of what is going on.

The Defense Department has been persuaded to reverse an earlier edict that precision machine tools were not to be exported to the Soviet Union.

A new legal interpretation by the Secretary of Commerce has opened the door for the sale of below-cost farm commodities to Iron Curtain countries.

In 2 days recently the Department of Commerce approved 41 licenses for the sale of assorted goods to the Red bloc countries: 13 for the Soviet Union; 11 for Czechoslovakia, 9 for Yugoslavia, 4 for Rumania, 2 for Hungary, and 1 each for Poland and Bulgaria. On August 4, just 1 day, licenses with a dollar value of $848,126 were granted by the Department of Commerce.

The Commerce Secretary has ruled that the following goods are nonstrategic in nature (and, therefore, acceptable for export to Communist countries): ball bearings, machine tools, power-transmission systems, aircraft and automotive spare parts, electrical machinery, geophysical instruments, and other industrial products and chemicals.

As of this writing, the United States is sending to the Communist-alined nations the following nonstrategic equipment: railway equipment, synthetic rubber, industrial instruments, pipe valves, chemical products, precision grinding machines, aircraft gyroscopes, iron and steel scrap, electrolytic copper—to name but a few of the materials we are sending to Khrushchev and his comrades.

A group of House Members have been led to believe, by the Secretary of Commerce, that the policy is that we will allow shipment of any materials which the Soviet Union can acquire elsewhere in the world. For example, the Defense Department raised objections to the export of a machine to bore V–8 engine blocks. This machine would have greatly increased the Soviets' capacity to produce automotive engines for trucks so vital to military transportation.

Nine days after the Defense Department action, however, it reversed itself and a permit was issued on the basis that similar equipment could be obtained in another country.

Congressman THOMAS M. PELLY, Republican, of Washington, in pointing out to the Congress of the United States that we helped Poland build a new steel plant, said he asked the Secretary of State this summer whether or not the Soviet Union would get some of the products of this steelmill. The Secretary of State admitted that it would.

Poland is making a loan to Cuba and, among other things, the proceeds will be used to build a shipyard and battery repair facilities. Obviously, this is designed to provide a base for Russian submarines, yet the State Department goes on the naive basis that by helping Poland we are buying the good will of the Polish people. Actually, the Polish people probably don't even know of our help. What we are really doing is assisting the Communist leadership of Poland to hold these people under the lash of communism.

The reason given for granting more licenses is that the Commerce Department policy now demands a quick "Yes" or "No" answer to exporters requesting licenses for shipment to Iron Curtain countries, and the Secretary attributes the increase in shipments to the speedup in decision making.

In just 2 weeks, starting with Monday, August 14, up to and including Friday, August 25, the following listing of licenses issued, commodities involved and the point of destination will give you a good idea of our amazing new foreign policy.

Number issued	Country	Commodity description
21	Yugoslavia	Electron tubes, processing vessels, copper cable, construction machinery and parts, petroleum products, copper scrap, borates, electronic testing machines and parts, silicon, automotive parts, aircraft parts, synthetic resins, physical properties testing and inspecting machines, iron and steel scrap, semiconductors, steel pipe, and synthetic lubricants.
5	East Germany	Semiconductors, surgical and medical instruments, cigar leaf tobacco, technical data (patents filed), and, synthetic resins.
6	Hungary	Technical data, chemical specialties, industrial sewing machine parts, and medicinal and pharmaceutical preparations.
8	U.S.S.R.	Steel and iron staples, textile machinery and parts, bakery machinery and parts, glass products, manmade fiber and manufactures, asbestos gaskets, and saw blades.
8	Cuba	Spanish radio transcriptions; small red beans, dry, ripe; technical data; vertical record-filing cabinets; and malaria eradication commodities.
1	Bulgaria	Industrial chemicals.
2	Rumania	Resistors and synthetic resins.
15	Czechoslovakia	Industrial chemicals, medicinal and pharmaceutical preparations, industrial instrument and parts, safety apparel and equipment, geographical world globe, rubber manufactures, and synthetic resins.

II. WHAT ARE WE DOING?

The Soviets and their satellites must have an adequate supply of strategic raw materials from which can be manufactured the tools of war. They are not able to find the products at home so they try to buy them from the free countries. We have been supplying many of the commodities necessary to the very existence of international communism.

It is claimed, for example, that our agricultural surplus is not strategic. How many times have we heard the plea that we must feed the starving Russians, when we have such an over abundance of foodstuffs and agricultural products? There is no question that the agricultural surpluses which we have shipped behind the Iron Curtain help the Communist war efforts.

Napoleon once said, "An army travels on its stomach."

Needless to say, when people have failed to produce sufficient food to provide even basic sustenance, morale falls and with it falls their productivity. Our food, therefore, helps to fill enemy stomachs, and raise enemy industrial productivity.

Agricultural products can be strategic

The agricultural products themselves seem blandly innocent and free of possible strategic value. How untrue. Wheat, as an example, can be converted readily to alcohol, and alcohol is one of the prime ingredients in explosives. Our surplus wheat might become ammunition aimed at us.

Some of these supplies come from us—courtesy of our "friends." We send several million tons of surplus wheat, for example, to Canada. And then last year, Canada shipped 29 million tons of wheat to Red China. The Red Chinese, because of the failures of their communal farms, are forced, we hear, to subsist on diets of 600 calories per day (a pure Metrecal diet is 900 calories per day).

Now, to those who are calling the shots on trade and foreign policy, lumber, like wheat, is also marked "nonstrategic." However, we have the right to expect those charged with protecting the security of the United States to know better—it is their business to know. Lumber is vital to both the military and economic life of any country. Railroad ties, resin, and many chemical derivatives are made from this simple nonstrategic lumber. The most innocent-sounding commodities can be used against us in our death fight with international communism.

We are also sending air conditioners, which our enemies have not learned to mass-produce, to the Iron Curtain countries. Air conditioners are required equipment for submarines.

As Ammunition sees it, we are producing and sending to our enemy goods which can be used against us. We are, in addition, freeing Red manpower and production machines to make the tools of war.

Some claim that we are strengthening our economy at home through this trading with the enemy. In reality, we are strengthening communism abroad. We can strengthen nothing for ourselves while we support an enemy whose avowed aim is to bury us.

III. WHAT HAS THE CONGRESS DONE?

Very little. In 1951 the Congress enacted the Mutual Defense Assistance Control Act which is known as the Battle Act. The declared purpose of the Battle Act is to place an embargo on any shipment of strategic goods to a nation which threatens the security of the United States. This applies specifically to the Soviet Union and all countries under its domination.

The Battle Act prohibits the sale of arms, ammunition, implements of war, atomic energy materials, petroleum, transportation of materials of strategic value, and items used in the production of any of the above. It was further declared in the Battle Act that no military, economic, or financial assistance would be granted by the United States to any nation unless it also places such an embargo.

The intent of the Battle Act seems plain and simple enough. It says we will neither help our enemy nor will we help those who give assistance to our enemy. But unfortunately it has been demonstrated that ways to circumvent this act (such as having a material classified as "nonstrategic"; or as trading indirectly through a "middleman" as in the case of the United States-to-Canada-to-Red China wheat transactions; and in some cases we can debate the term "unfriendly") do exist.

The Battle Act is too flexible and open to wide interpretation. It needs prompt revision which will tie down its true intent. Do not trade with the enemy to his advantage.

IV. A BRIGHT LIGHT

Mr. A. E. Hillman, head of the Republic Electric & Development Co., (REDCO) of Seattle, Wash., refused to have any part in strengthening our enemy. He received a $150,000 order for control parts for a lumber mill from a Canadian firm. A few phone calls determined that the Canadian firm was planning to erect a lumber mill in the Soviet Union. This mill, with REDCO parts, would be the most modern, the most efficient, and the most productive in the world. Hillman checked with the Department of State, and got a green light for the sale.

Courageously, however, Hillman turned down the $150,000 order, an estimated 10 percent of REDCO's annual business, saying in a letter to the Canadian firm:

"We at REDCO are unanimously convinced of the following facts:

"The Russian Government has vowed innumerable times to achieve the ultimate destruction and elimination of democracy either by all-out warfare or by economic warfare. The result would be the same. Daily, throughout the world in a relentless, predictable program we see Russia slowly but surely achieving that goal. Hungary, China, Tibet, North Korea, Vietnam, and now Laos. Next comes Formosa, South Korea, Japan, India and their final victory by one means or another will be in North America.

"The one advantage we in North America have over the Communist bloc is our production know-how, and it was that single ability more than any one factor which brought about victory in World War I and World War II and, at the moment, still insures our victory in world war III. To knowingly give away the even tiniest portion of that production superiority represented by the excellence of the Magnestat control system would represent to us the admission of the inevitability of world domination by communism. To this we will never admit.

"On his recent visit to Moscow, your representative was told by the Russian purchasing committee that they could not train enough technical people in the next 20 years to achieve the building of this tremendous lumber mill and were therefore purchasing North American technical know-how to close the gap from 20 to 2 years. REDCO will have no part in handing this advantage to our sworn enemy."

Unfortunately, too many people do not share Mr. Hillman's patriotism or awareness of the danger in supplying the enemy. They are the people who are making money at the expense of the security of the United States by shipping such strategic material to the enemy as we have detailed herein. It is also unfortunate that we cannot list their names, but this information is classified as "Top Secret" over at the Department of Commerce.

V. WE HAVE REAL CAUSE FOR ALARM

On May 11, the Senate passed by a vote of 43 to 36 administration-sponsored legislation to modify the Battle Act even further to give President Kennedy more authority to extend aid to Iron Curtain countries when he considers it in the national interest.

The chief sponsor of the bill was Senator J. WILLIAM FULBRIGHT, Democrat, of Arkansas, chairman of the Senate Foreign Rela-

tions Committee. During the debate over the proposed changes in the Battle Act (which passed the Senate, but not the House), Senator FULBRIGHT said:

"Kennedy should not be denied the authority by Congress because I do not think a legislative body is competent to conduct our foreign relations."

It is hard for us to understand why the will of the American people does not prevail.

Our observation is that Americans who elect our President and our Congress do not want us, through trade, or any other means for that matter, to give comfort and strength to those who are dedicated to our destruction. We doubt if anyone running for office could win election today on such a platform.

Why are the names of the business organizations which are granted export licenses to deal with the Reds kept "top secret"? Is it possible that they may be ashamed of what they are doing? Or, is it possible that they may be afraid that public opinion is against what they are doing?

It has been stated many times that government export licenses are a privilege granted to a few by our Government. Why, then, should not the names of the privileged few be made public?

Congressman JOHN E. Moss, Democrat of California, chairman of the Subcommittee on Government Information, stated that Commerce Secretary Luther Hodges had written him on April 5, 1961:

"In the future, the public can find out the names of every firm granted export licenses, what is being shipped abroad, and the destination of the shipments."

But that was back in April, and has never become a policy.

Congressman Moss further informed Ammunition that some businesses are so afraid of having their names made public that they have threatened the President with dropping all foreign trade if their names are made available to the general public.

VI. THE FUTURE

It is the hope of Ammunition that our readers will make demands on our Government to stop the flow of goods helpful to our enemy by:

(a) Making public the names of those businessmen who trade with the enemy;

(b) demanding a realistic appraisal of what is "strategic";

(c) closing the many loopholes in the Battle Act so that there will be no room for errors of judgment.

The U.S. House of Representatives has established a select committee to investigate trade with the enemy. It is hoped that this will lead to a tough law that will protect us from the type of thinking that directs this misguided course of aiding the enemy.

Can there be any doubt that we must avoid all possible ways of helping the Soviet bloc to strengthen itself economically and militarily?

Do We Need Whole Fish Flour?

EXTENSION OF REMARKS

OF

HON. QUENTIN N. BURDICK

OF NORTH DAKOTA

IN THE SENATE OF THE UNITED STATES

Wednesday, September 27, 1961

Mr. BURDICK. Mr. President, an effort presently is being made to gain the acceptance of whole fish flour as an adulterated article under the Food, Drug and Cosmetic Act. Howard Hardy, Beach, N. Dak., presently administrative assistant of Great Plains Wheat, Inc., raises timely objections to the adoption of the proposed standard, which merit studied and careful consideration by the Food and Drug Administration.

I ask unanimous consent that Mr. Hardy's letter to me, dated October 10, 1961, be printed in the CONGRESSIONAL RECORD.

There being no objection the letter was ordered to be printed in the RECORD as follows:

DEAR SENATOR BURDICK: The September 15 copy of the Federal Register discloses a matter that is of prime concern to all of us, a proposal that whole fish flour be recognized as a human food by the Food and Drug Administration.

The Food and Drug Administration informally expressed the opinion that this whole fish flour should be regarded as an adulterated article under the provisions of the Federal Food, Drug and Cosmetic Act.

It appears very evident that a real effort is being made to downgrade our food standards with very little consideration for the progressive steps and accomplishments of the FDA. The request would ask for permission to manufacture an adulterated food and have it recognized as a part of diet of the people in the United States. The very suggestion that whole fish of any species, from head to tail including the intestines with contents be accepted as a recognized food causes one to question the proponents' so-called desire to help the needy.

The adoption of the proposed standard will open the door for further proposals to approve other unwholesome products in our food supply. The proposal implies that 1 part fish heads, etc., to 11 parts of wheat flour might be used in bread as a cheap source of protein. This we would question, since the present cost of whole fish flour is more than 2½ times that of wheat flour. It may be that this is an attempt to give relief to the fisheries in marketing of the undesirable varieties as well as to clean up the disposal problem of heads, tails, entrails, etc., at the expense of the wheat and dairy farmers.

Plans to use this stuff for distribution in foreign countries where there is a protein shortage may be useful, however, there is no animal protein shortage in the United States. One might question the benefactor who would grind up a whole fish and "doctor" it up beyond recognition with the intent of sneaking it into one's daily diet. The proponents would make it appear that they do not intend to sell the product to the American consumer but to the undernourished in foreign lands. They are hopeful that if the standard is established in the United States the people in foreign lands will believe that we are in the habit of eating this thing. This attempt to degrade our food standards to further the interests of the few concerned is bordering on subterfuge.

Our food supply is as clean and safe as modern technology can make it and for more than 50 years the efforts and policy of the Food and Drug Administration and the Department of Agriculture have been to improve our standards.

If the gates are let down for the introduction of this adulterated food, our farmers, warehousemen, grain and produce handlers, packers, and many others have wasted a great deal of time and money. When and if the FDA should approve the sale of fish flour, Viobin Corp., of Monticello, Ill., intends to construct a plant at New Bedford, Mass., to process whole fish and also has every intention of utilizing the waste materials (heads, scales, intestines, and bugs) of the fillet plants. If a garbage disposal problem does exist, it would seem that there must be better ways of alleviating it.

This is the product fish interests would have us believe is good for the American consumer and our friends in foreign lands and are requesting the Food and Drug Administration to recognize it as a human food.

We understand that legislation has also been introduced to further the attempt.

Sincerely,

HOWARD HARDY,
Administrative Assistant.

A Call for Austerity in the Federal Government

EXTENSION OF REMARKS

OF

HON. STYLES BRIDGES

OF NEW HAMPSHIRE

IN THE SENATE OF THE UNITED STATES

Wednesday, September 27, 1961

Mr. BRIDGES. Mr. President, I ask unanimous consent to have inserted in the CONGRESSIONAL RECORD a statement I have prepared entitled "A Call for Austerity in the Federal Government." This statement directs itself to a trend in the fiscal affairs of our Government which concerns me greatly and, indeed, should be of concern to all Americans.

There being no objection, the statement was ordered to be printed in the Appendix of the RECORD, as follows:

A CALL FOR AUSTERITY IN THE FEDERAL GOVERNMENT

For 25 years I have been working and urging the executive branch of our Government to exercise economy and restraint in the vast spending programs which have been presented to the Congress. I believe the time has now come when the administration must sponsor a program of austerity in spending the tax dollar. If we are unable to economize, I predict we will do irreparable damage to the value of our money and to our economic well-being. I can forsee an economic depression that will not only curl your hair, it will singe your hide like an atomic blast.

I realize that my views run counter to the theories so popular with certain latter day economists and others who have abandoned the idea that the function of Government is to do only those things which the States or the people are unable to do for themselves. Their idea—briefly stated—is that a program, any program, should be financed by the Federal Government if it seems to be a good program. The extension of this theory was described by that great Senator from Ohio, Robert A. Taft, as "creeping socialism." If he were to comment on the spending antics of 1961, he would no doubt call it "galloping socialism."

The dollar perhaps is not a particularly accurate yardstick for measuring the cost of Federal Government. Even so, I think a table showing the funds appropriated by each session of each Congress since I came to the Senate in 1937 is of interest. I ask unanimous consent to have this table inserted in the body of my remarks at this point:

Appropriations made by the U.S. Congress from 1789 to 1961, by Congress and session

Congress	Years	Number of sessions, unless shown [1]	Amount of appropriation	Cumulative totals
1st	1789–91	3	$8, 991, 600. 15	$8, 991, 600. 15
2d	1792–93	2	18, 523, 469. 97	27, 515, 070. 12
3d	1794–95	2	23, 288, 547. 94	50, 803, 618. 06
4th	1796–97	2	7, 813, 952. 45	58, 617, 570. 51
5th	1798–99	3	33, 244, 745. 68	91, 862, 316. 19
6th	1800–1801	2	25, 426, 779. 67	117, 289, 095. 86
7th	1802–3	2	25, 745, 012. 11	143, 034, 107. 97
8th	1804–5	2	26, 134, 921. 62	169, 169, 029. 59
9th	1806–7	2	31, 401, 908. 53	200, 570, 938. 12
10th	1808–9	2	16, 072, 086. 80	216, 643, 024. 92
11th	1810–11	3	44, 547, 705. 53	261, 190, 730. 45
12th	1812–13	2	28, 492, 349. 71	289, 683, 080. 16
13th	1814–15	3	114, 950, 002. 87	404, 633, 083. 03
14th	1816–17	2	86, 518, 342. 43	491, 151, 425. 46
15th	1818–19	2	60, 402, 480. 92	551, 553, 906. 38
16th	1820–21	2	43, 933, 019. 87	595, 486, 926. 25
17th	1822–23	2	40, 698, 131. 62	636, 185, 057. 87
18th	1824–25	2	48, 723, 180. 67	684, 908, 238. 54
19th	1826–27	2	46, 472, 063. 95	731, 380, 302. 49
20th	1828–29	2	48, 467, 710. 77	779, 848, 013. 26
21st	1830–31	2	25, 523, 357. 64	805, 371, 370. 90
22d	1832–33	2	33, 158, 534. 72	838, 529, 905. 62
23d	1834–35	2	31, 937, 708. 51	870, 467, 614. 13
24th	1836–37	2	67, 057, 928. 40	937, 525, 542. 53
25th	1838–39	3	75, 275, 307. 65	1, 012, 800, 850. 18
26th	1840–41	2	46, 889, 439. 52	1, 059, 690, 289. 70
27th	1842–43	3	58, 815, 068. 31	1, 118, 505, 358. 01
28th	1844–45	2	46, 148, 783. 40	1, 164, 654, 141. 41
29th	1846–47	2	109, 458, 767. 11	1, 274, 112, 908. 52
30th	1848–49	2	84, 849, 872. 59	1, 358, 962, 781. 11
31st	1850–51	2	78, 703, 382. 25	1, 437, 666, 163. 36
32d	1852–53	2	93, 589, 493. 26	1, 531, 255, 656. 62
33d	1854–55	2	136, 682, 218. 62	1, 667, 937, 875. 24
34th	1856–57	3	139, 384, 097. 35	1, 807, 321, 972. 59
35th	1858–59	2	123, 267, 455. 03	1, 930, 589, 427. 62
36th	1860–61	2	158, 529, 756. 83	2, 089, 119, 184. 45
37th	1862–63	3	2, 133, 183, 800. 75	4, 222, 302, 985. 20
38th	1864–65	2	1, 658, 190, 940. 49	5, 880. 493, 925. 69
39th	1866–67	2	301, 451, 202. 89	6, 181, 945, 128. 58
40th	1868–69	3	314, 197, 415. 71	6, 496, 142, 544. 29
41st	1870–71	3	347, 464, 849. 23	6, 843, 607, 393. 52
42d	1872–73	3	372, 669, 413. 68	7, 216, 276, 807. 20
43d	1874–75	2	302, 732, 699. 01	7, 519, 009, 506. 21
44th	1876–77	2	212, 478, 994. 05	7, 731, 488, 500. 26
45th	1878–79	3	345, 426, 730. 20	8, 076, 915, 230. 46
46th	1880–81	3	380, 602, 488. 43	8, 457, 517, 718. 89
47th	1882–83	2	439, 339, 683. 74	8, 896, 857, 402. 63
48th	1884–85	2	308, 059, 511. 37	9, 204, 916, 914. 00
49th	1886–87	2	402, 695, 244. 04	9, 607, 612, 158. 04
50th	1888–89	2	463, 135, 612. 69	10, 070, 747, 770. 73
51st	1890–91	2	$611, 505, 568. 32	$10, 682, 253, 339. 05
52d	1892–93	2	623, 722, 043. 37	11, 305, 975, 382. 42
53d	1894–95	3	594, 845, 924. 59	11, 900, 821, 307. 01
54th	1896–97	2	613, 965, 943. 52	12, 514, 787, 250. 53
55th	1898–99	3	1, 135, 560, 043. 90	13, 650, 347, 294. 43
56th	1900–1901	2	936, 517, 800. 53	14, 586, 865, 094. 96
57th	1902–3	2	915, 286, 077. 25	15, 502, 151, 172. 21
58th	1904–5	3	956, 401, 394. 33	16, 458, 552, 566. 54
59th	1906–7	2	1, 105, 173, 690. 33	17, 563, 726, 256. 87
60th	1908–9	2	1, 275, 767, 923. 09	18, 839, 434, 179. 96
61st	1910–11	3	1, 298, 275, 356. 24	20, 137, 709, 536. 20
62d	1912–13	3	1, 429, 665, 118. 72	21, 567, 374, 654. 92
63d	1914–15	3	1, 605, 939, 097. 86	23, 173, 313, 752. 78
64th	1916–17	2	19, 848, 162, 534. 66	43, 021, 476, 287. 44
65th	1918–19	3	32, 721, 505, 312. 88	75, 742, 981, 600. 32
66th	1920–21	3	7, 465, 218, 995. 40	83. 208, 200, 595. 72
67th	1922–23	4	7, 171, 247, 259. 15	90, 379, 447, 854. 87
68th	1924–25	2	6, 619, 879, 000. 00	96, 999. 326, 854. 87
69th	1926–27	2	7, 022, 691, 000. 00	104, 022, 017, 854. 87
70th	1928–29	2	7, 679, 715, 000. 00	111, 701, 732, 854. 87
71st	1930–31	3	8, 565, 355, 000. 00	120, 267, 087, 854. 87
72d	1932–33	2	11, 956, 392, 000. 00	132, 223, 479, 854. 87
73d	1934–35	2	15, 702, 722, 442. 00	147, 926, 202, 296. 87
74th	1936–37	2	8, 935, 846, 274. 00	156, 862, 048, 570. 87
75th	1938 [2]	1st sess.	[3] 9, 783, 701, 740. 92	166, 045, 750, 311. 79
75th	1939 [2]	2d and 3d sess.	[4] 10, 333, 996, 189. 84	176, 379, 746, 501. 63
76th	1940 [2]	1st sess.	[5] 11, 447, 634, 076. 84	187, 827, 380, 578. 47
76th	1941 [2]	2d and 3d sess.	[6] 16, 878, 865, 241. 77	204, 706, 245, 820. 24
77th	1942 [2]	1st sess.	[7] 57, 792, 715, 367. 26	262, 498, 961, 187. 50
77th	1943 [2]	2d sess.	[8] 147, 071, 208, 961. 89	409, 570, 170, 149. 39
78th	1944 [2]	1st sess.	[9] 114, 564, 008, 594. 62	524, 134, 178, 744. 01
78th	1945 [2]	2d sess.	[10] 67, 614, 266, 774. 74	591, 748, 445, 518. 75
79th	1946 [2]	1st sess.	[11] 69, 780, 137, 109. 60	661, 528, 582, 628. 35
79th	1947 [2]	2d sess.	[12] 35, 734, 209, 164. 94	697, 262, 791, 793. 29
80th	1948 [2]	1st sess.	[13] 35, 982, 887, 708. 01	733, 245, 679, 501. 30
80th	1949 [2]	2d sess.	[14] 41, 675, 480, 957. 05	774, 921, 160, 458. 35
81st	1950 [2]	1st sess.	[15] 46, 497, 456, 897. 86	821, 418, 617, 356. 21
81st	1951 [2]	2d sess.	[16] 81, 045, 040, 441. 00	902, 463, 657, 797. 21
82d	1952 [2]	1st sess.	[17] 101, 117, 786, 897. 00	1, 003, 581, 444, 694. 21
82d	1953 [2]	2d sess.	[18] 85, 999, 046, 411. 00	1, 089, 581, 091, 105. 21
83d	1954 [2]	1st sess.	[19] 65, 156, 254, 797. 00	1, 154, 737, 345, 902. 21
83d	1955 [2]	2d sess.	[20] 58, 160, 445, 563. 00	1, 212, 897, 791, 465. 21
84th	1956 [2]	1st sess.	[21] 63, 947, 281, 321. 00	1, 276. 845, 072, 786. 21
84th	1957 [2]	2d sess.	[22] 73, 041, 364, 417. 00	1. 349, 886, 437, 203. 21
85th	1958 [2]	1st sess.	[23] 73, 064, 958, 328. 00	1. 422, 951, 395, 531. 21
85th	1959 [2]	2d sess.	[24] 81, 119, 818, 276. 00	1. 504, 071, 213, 807. 21
86th	1960 [2]	1st sess.	[25] 81, 572, 357, 732. 00	1, 585, 643, 571, 539. 21
86th	1961 [2]	2d sess.	[26] 83, 799, 241. 957. 00	1, 669, 442, 813, 496. 21

[1] Number of sessions per Congress, until 1938, were varied and are not shown separately until that date.

[2] Fiscal year.

[3] Excludes $172,473,242 payable from trust-fund receipts.

[4] Excludes $1,022,819,464 payable from trust-fund receipts.

[5] Excludes $1,904,152,417 payable from trust-fund receipts.

[6] Excludes $2,193,125,902.29 payable from trust-fund receipts.

[7] Excludes $3,062,440,984.94 payable from trust-fund receipts.

[8] Excludes $3,861,678,074.46 payable from trust-fund receipts.

[9] Excludes $4,642,328,743.56 payable from trust-fund receipts.

[10] Excludes $6,749,006,537.59 payable from trust -fund receipts.

[11] Excludes $6,662,202,694.43 payable from trust-fund receipts.

[12] Excludes $4,653,376,294.93 payable from trust-fund receipts.

[13] Excludes $5,487,396,936 payable from trust-fund receipts; includes $914,286,500 contained in 3d Supplemental Appropriation Act, 1948, approved Dec. 23, 1947.

NOTE.—Prior to the fiscal year 1938, 75th Cong., 1st sess., trust fund appropriations (payable from trust fund receipts) were not an important portion of the total appriations. Commencing with that fiscal year they have greatly increased due to the sums in the unemployment trust fund, the railroad retirement account, and the Federal old-age and survivors insurance trust fund and other trust funds. Commencing with the fiscal year 1938 trust fund appropriations are not included in the total appropriations but are shown in the footnotes for each fiscal year.

[14] Excludes $5,480,063,813 payable from trust-fund receipts.

[15] Excludes $6,517,603,514 payable from trust-fund receipts.

[16] Excludes $6,632,999,495 payable from trust-fund receipts, and includes $19,841,-684,745 contained in public laws approved subsequent to November 27, 1950.

[17] Excludes $8,127,323,548 payable from trust-fund receipts.

[18] Excludes $8,532,644,348 payable from trust-fund receipts.

[19] Excludes $8,999,782,171 payable from trust-fund receipts.

[20] Excludes $9,891,179,453 payable from trust-fund receipts.

[21] Excludes $10,871,988,245 payable from trust-fund receipts.

[22] Excludes $11,679,248,757 payable from trust-fund receipts.

[23] Excludes $15,610,607,572 payable from trust-fund receipts.

[24] Excludes $16,382,991,651 payable from trust-fund receipts; $4,708,950,000 for refunding internal revenue collections; and $633,349,085 for cumulative sinking fund.

[25] Excludes $19,495,828,782 from trust-fund receipts; $5,402,200,000 for refunding internal revenue collections; and $633,349,085 for cumulative sinking fund.

[26] Excludes $22,329,891,975 payable from trust-fund receipts; $6,053,675,000 for refunding internal revenue collections; and $633,349,085 for cumulative sinking fund.

If you study this table, you will realize that this session of the Congress has approved the fourth highest spending budget in the history of the Republic. The $86 billion—excluding authority to spend money directly from the Treasury without benefit of congressional blessing—is exceeded only by the amount this Nation spent during 1943 and 1944—at the height of World War II and the amount spent during the Korean war in 1952.

The Kennedy administration will spend more during the 1952 fiscal year than all the administrations of all the Presidents spent during the first 133 years in which the United States of America existed, from 1789 to 1922.

This administration will spend four times more than the record spending year during World War I when the budget was $18.5 billion.

The 1962 spending of $86 billion compares with $4 billion spent in 1933, and $10.3 billion in 1937 when I came to the U.S. Senate.

I observe that the Congresses of which I have been a Member for the last 25 years have voted slightly over $1,600 billion in that period.

The United States is doing precisely what the Communists hope we will do—spend ourselves bankrupt.

Are we going to persist in this easy path so that the Communist hopes will come true—that the Communists will take over an economic ruin without firing a shot?

Or shall we harken to the advice of Thomas Jefferson of Virginia? I realize that Jefferson is not as popular with the Frontiersmen as he was with old-fashioned Democrats. Here is what he said: "I place economy among the first and most important virtues—and public debt as the greatest of dangers. To preserve our independence—we must not let our rulers load us with perpetual debt. We must make our choice between economy and liberty or profusion and servitude."

What did Andrew Jackson, of Tennessee, have to say on this question? I quote him: "From our past experience, it cannot be doubted that simplicity in the character of the Federal Government and a rigid economy in its administration should be regarded as fundamental and sacred."

This is the advice this Nation had from the two men who are regarded as the patron saints of the Democratic Party. If Republicans advocate following this advice, why do Democrats ignore it?

Let me quote another man—a Democrat with a most distinguished record in the modern era. James F. Byrnes was a Congressman, a U.S. Senator, a Justice of the Supreme Court, the assistant to the President during the greatest war in our history, Secretary of State in our postwar Government and Governor of the great State of South Carolina. On February 18, 1952, he said, "We are going down the road to statism. Where we will wind up no one can tell, but if some of the new programs, seriously proposed, should be adopted, there is a danger that the individual—whether farmer, worker, manufacturer, lawyer, or doctor—will soon be an economic slave pull-

ing an oar in the galley of the Ship of State."

Why does the administration ignore the wisdom of great Democrats and accept the advice of the power-grabbers?

Doesn't our new President remember what he said a year ago? On October 3, 1960—in a campaign speech—he said, "It is extremely important that the United States maintains, to the extent that it is possible, a balanced budget."

Has he now concluded a balanced budget is not possible? Or does he plan to attempt to balance the budget, as he hinted in his Berlin speech, by raising taxes?

The American people now pay about 31 percent of their incomes in taxes. Does he plan to pile on more taxes? That would be austerity for the people, but what about some austerity in Government? On my motion, the following language was inserted in the Senate report which accompanied the defense appropriation bill to the floor:

"ECONOMY AND AUSTERITY

"The committee desires to make a point of the fact that, where an approved capability can be attained at less cost than estimated, funds appropriated by the Congress need not be spent in their entirety and can be returned to the Treasury. The committee and the American people would be encouraged if there were more evidence of cost consciousness on the part of both civilians and uniformed personnel in the Defense Establishment and a more objective determined effort made at all levels of the Defense Establishment to effect savings in the use and expenditure of monetary, human, and materiel resources. Further, the committee recommends that high-ranking officials and officers of flag rank give particular attention to the practice of austerity in connection with their privileges in order to set an example and to popularize the idea of getting the most fight out of each tax dollar."

What do I mean by austerity? I checked the dictionary, and Funk and Wagnalls says the word means "severely simple, unadorned." Perhaps we understand the word better when we look at the antonyms—the words which have an opposite meaning: "affable, appeasing, bland, easy, genial, gentle, indulgent, mild, pliable, soft, sweet, tender, tractable, yielding."

We need some austerity—some self-discipline—on the part of the servants of the people—not alone on the part of the people.

The very able and distinguished senior Senator from Virginia, a great man in the tradition of a great State, has made a study of the self-indulgent programs proposed by this administration since it came to power last January. He has concluded that the tax increase required to support these programs would be in the neighboorhood of 20 percent. I believe his conclusion is conservative.

If Senator BYRD's estimate is correct, it would mean adding one-fifth more to each person's tax bill. This would raise the average tax to 37 percent of your average income.

Mr. President, even the most ardent social planners concede that taxes which take over one-third of an individual's income will kill the incentives which make our free enterprise system work. There has been a good deal of evidence in recent years that these incentives are blighted and dying.

Mr. President, even these ardent high taxers concede that excessive tax rates destroy capital and restrain incentives needed for economic progress and job creation. Before we were confronted with new increases in the monetary budget, even the present administration was committed to a tax program next year which would reduce the high tax rates. At that time, administration spokesmen were placing great emphasis on the need to improve the long-term growth rate of the economy. Secretary of the Treasury Dillon alluded such need in his statement of May 3 before the House Committee on Ways and Means:

"As we look back over the past century we see that our record of economic growth has been unmatched anywhere in the world. But of late we have fallen behind. * * * Clearly, we must improve our performance. Otherwise, we cannot maintain our national security, we cannot maintain our position of leadership in the eyes of the world and we cannot achieve our national aspirations. The pressing task before us, then, is to restore the vigor of our economy and to return to our traditionally high rate of economic expansion and growth."

Since the new monetary buildup was launched, however, the administration has taken a new tack. Now it has fallen back on the discredited theory that more Government spending will in and of itself provide the greater economic growth which the Nation needs. The point which the administration planners do not make, however, is that they are substituting a shot in the arm, with all its inflationary potential, for fundamental policies which will enable the economy to modernize and expand more rapidly and without inflation over the years ahead.

As we peer into the future, it is not too difficult to see where this new approach will take us. Through a new surge of deficit financing, the administration expects to touch off a boom which will carry through the 1962 election. If inflation results, they will blame everyone but themselves for this fact—while retaining full credit for what they contend is prosperity.

In the August issue of the Morgan Guarantee Survey, Dr. Arthur F. Burns, formerly economic adviser to President Eisenhower, says:

"The economy at large has been experiencing a revival since February. The recovery is widespread and is proceeding at a rather brisk rate. Total production already exceeds the prerecession peak, and total employment is not far behind. It appears, therefore, that the bulk of the new spending commitments by the Federal Government will come to fruition, not in a time of recession for which many of them were intended, but when recovery is well advanced and the economy is expanding of its own momentum—perhaps when it is already booming."

Mr. President, here we go again. We know that hot deficit money will stir up a semblance of prosperity. We equally know that this condition will be temporary unless extended by the pouring in of more hot money. Looking beyond 1962, and to 1964, the question is: Will we be in for another whirl of deficit financing in the intervening period?

I personally do not take too seriously the statements of the administration that it will ask for tax increases, if necessary, next year to balance the budget. Its testimony in the Ways and Means Committee hearings provides ample evidence of its recognition that the present tax structure retards expansion of the private sector of the economy including the provision of new jobs in new and old industries. It seems obvious to me that if it is not going to provide leadership to relax the tax brakes on the private economy then it will take new and repeated action to further expand spending in the public sector, including new and liberal doses of deficit financing as required to extend the boom and postpone the day of the bust.

Is this a calculated program to destroy free enterprise? Are the planners deliberately setting about to change our economic system?

Whether the effect is planned or mere accident, the results are the same and the problem is the same.

Unless we are completely irresponsible we must quickly and consciously make a decision as to how we will handle the cost of our Government. There are three possible choices:

1. We can keep on the way we are going. We can forget about the future and live in a dream world present. We can follow the advice of the Democratic national chairman who blandly asserts we can have both guns and butter. This is the easy way. This is the way Rome fell. They appeased the barbarians and held circuses for their own people. And the Dark Ages followed. I will not accept this choice.

2. The Government can require ever increasing austerity from the people by demanding higher taxes and giving them in return more and more Federal "services"—which is another way of saying more control and less individual freedom. I will not accept this choice.

3. The Government can practice austerity. This means no new programs unless they contribute to our ability to defend ourselves. This means a cutback in domestic programs. This means a reduction in the Federal payroll. This means some hard thinking to devise policies to serve America rather than programs which destroy our country. This means a renewed public interest in pulling down the tax barriers to our economic progress—a program which should have priority over all nonessential spending. This means an end to appeasing and coddling special groups in the United States and the beginning of appeals directed to our people because they are first and foremost Americans.

This is the path we should take; it is the path we must take if the United States is to survive. To my mind we don't have three choices—we have only one, a genuine, far-reaching and protracted period of austerity on the part of the Federal Government. This path will require courage in high places in this Government—the courage to say "No." Our new resident likes to talk about courage. I would like to see him exhibit courage and take the action which the times require of him.

If he fails this responsibility in the next few months, the people have only one recourse. In November of 1692 the people must elect to the Congress, regardless of political party, men who are zealously dedicated to a program of Federal austerity. If the executive branch fails in its clear duty—those of us in the legislative branch who have the courage to vote against the concept of both guns and butter must be reinforced. Give Congress the votes and it can do the job.

Acceptance and Inaugural Address of Randle Elliott as President of Hood College

EXTENSION OF REMARKS

OF

HON. CHARLES McC. MATHIAS, JR.

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 27, 1961

Mr. MATHIAS. Mr. Speaker, it was my privilege to attend the inauguration of Dr. Randle Elliott as the fourth president of Hood College recently. As a delegate from Haverford College, I had the privilege of participating in the ceremony and was impressed with Dr. Elliott's serious and constructive approach to his great responsibility. Because his address is so pertinent to the

problems of education which confront the Congress and the country, I am appending the text of his inaugural address:

ACCEPTANCE AND INAUGURAL ADDRESS OF RANDLE ELLIOTT AS PRESIDENT OF HOOD COLLEGE

Mr. Smith, I accept this important charge from your hand with particular satisfaction, knowing that under your strong leadership a devoted board of trustees stands ever ready to face anew the changing needs of liberal education. The courage to do what must be done is seldom lacking when direction is clear. This fact is amply illustrated in a story that came back to mind several days ago, during the nationwide emphasis on Fire Prevention Week.

When the famous Iroquois Theater of Chicago was in flames in 1903, a young boy stopped at the edge of the crowd to watch the fire. Suddenly a frantic woman seized him by the arm.

"Come with me," she cried. "My children will burn. Save them."

He did save them, and went back again and again, until he had saved 15 others. Afterward, when people praised him, he waved them aside, saying, "What else could I do? The mother put it up to me."

This morning, Mr. Smith, you have clearly put a task up to me, and, in all my dealings with faculty, administrative staff, and students, I propose to be equally direct and specific. In accepting the high responsibilities of this office, I am well aware of my personal shortcomings; but I have absolute confidence that as part of a victorious team we at Hood College will press on to new victories. In fact, we dare do no less, in fulfillment of the trust laid upon us by the 1,300 parents who have placed their daughters in our care this year, and countless other parents who will do so in years to come. It may properly be said that they, too, have put it up to us.

A glance at the buildings around you—a deep breadth of the air of freedom and friendliness on this campus—an acquaintance with the young women who make up this student body, or with representative numbers of those who have gone on after graduation to make their mark in the world—provides eloquent testimony to the inspired leadership that you and the board of trustees have given to this college, and the devoted service of a faculty and administration who for years passed have been dedicated to this discovery and dissemination of truth.

Yet by its very nature a college cannot stand still and endure. The closed portals of dozens of other institutions, which in past generations met the educational needs of their times, can also testify to that. As long as society has problems, as long as humanity is disunited, as long a portion of mankind is subjected to tyranny, as long as men live and dream dreams, while there is still a star in the heavens unexplored, the work of the college and university is undone.

I would be less than candid if I seemed to minimize in any way my appreciation of the magnitude of the tasks ahead—both for American higher education as a whole, and for Hood College as an important contributor to the educational product of our country. It has been often and rightly observed that during no prior period has population grown so rapidly, and human knowledge expanded so explosively, as in recent years. Paraphrasing that great contemporary British statesman, Sir Winston Churchill, it is emphatically true that never before has there been so much to be taught to so many.

While Hood College has come a long way in providing a strong liberal educational program—despite the burden of its frankly limited endowment—there is much still to be done. As a relative newcomer to this ongoing effort, I find great encouragement in the normal state of self-dissatisfaction that prevails on this campus. Not complacent about what has been done well in classrooms, laboratories, chapel and extracurricular activities—but rather looking eagerly for ways of doing these and other things better—trustees, faculty, and administration last year cooperated in an exhaustive self-study of the college, no phase of fiscal practice, plant, program personnel, or student life was neglected. And, with the true scholar's objectivity, no effort has been made to gild the lily. During the past month the results of this year of factfinding were laid on my desk.

We now know in great detail—over 300 pages of statistics, descriptive text and other data—the present status of all departments of Hood College. And at faculty and board meetings this week, decisions were made to continue the self-study during the present academic year. Next month we begin to analyze realistically where we should go from here. We will assemble comparative data on programs and practices prevailing at other colleges. We do not profess to have a monopoly of ideas; so we shall call upon some of our friends at other institutions to help us evaluate Hood's situation and possibilities. The end result, we know, will further strengthen the offering of this College to future generations of Americans.

The role of the president in setting academic goals, and in implementing them decisively, is of course germane to our purpose in assembling here today. Little can be added now to the more than 700 significant books, monographs, and magazine articles that have been published during the past 60 years regarding the work of the college or university president. But the fact that more than half of these publications have appeared since 1940, and almost a third of them since 1950, suggests that the last word has not been said—and probably never will be said—on the ever-changing nature of this job.

Basically, the president's role is that of a catalyst. He must spark or accelerate necessary actions or reactions for which other people often provide the creative ideas or the administrative talent. (One can only hope that—as in physical chemistry—the catalytic agent may be preserved substantially unchanged at the end of the reaction.) The president, therefore, is an expediter, whose chief contribution to the future of his college calls for sound judgment, and initiative tempered with tact. There are various reasons why this must be so. Most important, however, is the fact that learning can flourish only in an atmosphere of liberty, and in a politic that practices as well as preaches democracy.

The reason for existence of a college is to teach; therefore no college can be better than its faculty. A good faculty is necessarily a community of scholars who have been professionally trained to think for themselves. Through years of preparation they have cultivated the self-discipline to withhold judgment until all the facts are in hand. Any administrator may at times become impatient to get the job done, but one who seriously seeks the right answers on matters of educational policy and practice would be foolish to short-cut a pool of available talent that thrives on its autonomy. An institution of higher education is therefore the last place in the world for a dictator.

The interrelationship of the basic disciplines in a liberal arts college, and the mutual dependence of educational policy and institutional goals on human and material resources, prevent the college presidency from being—as it was in days gone by—largely a one-man or one-woman show. An institutional effort is required to formulate proper value judgments of the complex facts, probabilities, and policies that must be acted upon. This calls for the organized and disciplined work of many highly trained minds. The president wants and needs their inspired best. In discharging his accountability to trustees, donors, former students, and other constituents, he must work closely with his faculty and top administrators much as a famous Secretary of State once described his relationship to his professional staff:

"He must be their protector and inspirer, their critic, the appreciator of excellence. He cannot be aloof. He must share and guide their thought, partake of their perplexities. He must give as well as receive. His mind must enter into their minds, and theirs into his."

In this way the product of their common work may best fulfill the classic goal of the charter under which Harvard College has thrived for more than 300 years: "to advance learning and perpetuate it to posterity."

Dr. Distler has most ably stated the objectives toward which our whole educational effort at Hood College is directed. We believe so firmly in the vitality of Hood's liberal arts curriculum, and its importance in the development of useful citzenship to sustain a democratic society under test, that I can save 5 minutes of my remarks by saying enthusiastically, "Me, too, Sir."

As Dr. Distler spoke, I couldn't help recalling the trick which Chauncey Depew once played on Mark Twain when they were both invited to speak at a banquet. Twain spoke first for some 20 minutes and was received with open acclaim. When Depew's turn came, immediately afterward, he said: "Ladies and gentlemen, before this dinner Mark Twain and I made an agreement to trade speeches. He has just delivered mine, and I'm grateful for the reception you have accorded it. I regret that I have lost his speech and can't remember a thing he had to say." Depew then sat down amid much applause.

The presence of so many friends of Hood College here today, your familiarity with Hood's liberal arts objectives, your spontaneous enthusiasm for Dr. Distler's analysis of the current need to reemphasize liberal education and of Hood's important part in meeting that need, tempt me just a little with the example of Chauncey Depew.

Yet, there is, of course, more to be said—and by my reference to the humor of a past generation I would not want anyone to think that we here are unmindful of the gravity of the situation that confronts us. These are perilous times for the future of our democratic way of life. I speak not of any external threat from materialistic forces that are rife in the world; but rather of the prevalent reluctance of our own citizens to expend intellectual effort—the endless search for shortcuts or "easy ways out"—and the pitiful lack of a sense of purpose to motivate our younger generation. The enduring nature of truth is perhaps no better illustrated in contemporary writing than in the quotation of H. G. Wells, who 40 years ago wrote: "Human history becomes more and more a race between education and catastrophe." Stated simply, our job is to help win that race.

We propose to win by challenging Hood students to their best efforts in every classroom, laboratory, and college-sponsored activity. Through selective admissions procedures, we know that the young women here are capable of superior attainments. They desire and will get no less than exacting standards enforced by scholarly teachers. The readiness of young Americans to work and accept purposeful sacrifice was graphically underscored this year in their clamor to serve without pay in the Peace Corps. Two years ago a report issued by the American Council on Education quoted one

college student as saying: "Where I found weakness, I took advantage of it; but where I found strength, I respected it. If I'm allowed to slip by, I'll do it every time. But if I'm really expected to perform, I'll come through or go down fighting."

We owe it to our students to expect them to perform, and to teach them the relevance of their studies to the lives they will live. The apparent purposefulness of study in the physical sciences explains why there are fewer poor students in the science courses of our colleges than in the humanities or social studies. Yet in an era when half of our adult population seeks to escape boredom through spoon-fed, mass-media entertainment, and when the viability of civilization depends on social control of the hydrogen bomb, the humanist and the social scientist certainly should be able to establish the relevance of their endeavors. When they do, student minds will erupt from the grooves of conventionality, substitute reasoning for memory, and discover the satisfactions of independent thought and scholarship.

It is obvious that not all teachers can inspire these reactions in young minds. A great president of Harvard once observed that there are two kinds of good teachers—those who are young, and those who never grow old. Central to our ideal of creative instruction is the scholarly teacher whose genuine concern for the students keeps him—or her—forever youthful, youthful in spirit, continuously attuned to the resultantly receptive ears of eager learners. For this type of person, teaching is fun.

For his students, this kind of teacher has something real to give. His mental outlook reflects a passion for his own field of learning, an insatiable desire for related knowledge from other fields, and a strong intellectual curiosity blended with tolerance. He is driven by an irresistible urge to keep moving ahead in his own field, so that the facts, opinions, and ideas he despenses are ever fresh, pertinent for the time and place, and destined to be honorable in the more mature minds that will reflect upon them in years to come.

In a small liberal arts college like Hood, the scholar-teacher's thinking and continuing study derive impetus from his proximity to unspecialized learners, and to friendly colleagues in other disciplines. These are two relationships, it has been observed, which are likely to add meaning to his research and more realistic social usefulness to his results. While the teacher and his teaching alike benefit from this kind of college, the college in turn also benefits from the aura of immortality that surrounds such teachers: It owes them not only adequate compensation to the full limit of available resources, but also tangible encouragement of their productive scholarship through subsidy of approved research, and the granting of professional leaves of absence when necessary to consummate it.

It should be apparent that we at Hood believe in the small college, and are therefore committed to it. We, of course, appreciate the indispensable contribution made by the larger colleges and universities through the numbers they educate, the variety of their curricular offerings, and the facilities they accord for highly technical research. In fact, one of the blessings of the diversity of American higher education is that we in the small colleges are free to depend upon the output of the larger institutions for many things—among them, for the kind of professionally trained faculty members I have just been describing. But we have seen and experienced the many real values of the small college, with its warm interpersonal relationships among faculty and student body, and the security it affords in a homelike atmosphere away from home. It offers every student the opportunity to develop leadership qualities and a sense of civic responsibility, through active participation in a wide choice of extracurricular activities. Again and again we have observed that many students best develop, in this milieu, their optimum intellectual, social, and moral consciousness. These are the students whom Hood strives to serve, and whose suitability for this program our admissions procedures are designed to identify.

If nothing I have said so far has made it clear, let me now emphasize that Hood also believes strongly in the need for and the values of higher education for women. The true importance of their position in American life is often overlooked, and consequently in many quarters insufficient attention is given to their special curricular and extracurricular needs. In the United States, 83 percent of the elementary school teachers are women, and 93 percent of our church school teachers are women. Who is it who takes most of the high school graduates to talk with college admissions officers? Why, the mothers, of course. It is they who shape the moral fiber of the next generation.

In our free democratic society, women volunteer workers spark a wide range of good causes upon which the social structure of America depends: PTA's, orphanages, church organizations, and dozens of similar agencies. Our best surveys of the issues in local elections—the grassroots of democratic government—are undertaken, and their results published for the guidance of us all, civic-minded women in the League of Women Voters, the AAUW, and other groups. In this country, there are 3½ million more women eligible to vote than men. The number of women in responsible government positions—both elective and appointive—has increased markedly since 1940, and during the same period the women doctors and lawyers in this country have more than doubled. Yet in the utilization of trained womanpower we lag far behind the Soviet Union, where three out of every four doctors are women. Our vast reservoir of female talent, waiting to be developed and used, is a tremendous national resource still virtually untapped.

The return on our educational investment in women, however, is perhaps quicker through the indirect, very real, and powerful influence they exert on men. This has been true since the day of Adam and Eve. Two hundred years ago Jean Jacques Rousseau observed:

"Men will always be what women want them to be. If, therefore, you would have great and virtuous men, what you must do is teach women what constitutes greatness and virtue."

We at Hood believe that greatness and virtue are best taught in the church-related college. We believe with King Solomon, one of the wisest men in recorded history, that "the fear of the Lord is the beginning of knowledge." We seek, with St. Paul, to build our educational structure upon "whatsoever things are true, honest, just, pure, lovely, of good report." We are mindful of the piercing words of the man who, almost 2,000 years ago, looked Pontius Pilate in the eye and said, "to this end was I born, and for this cause came I into the world, that I should bear witness unto the truth."

Pilate's question "What is truth?" had of course been answered previously in the upper room, when our Lord said "I am the way, the truth, and the life." But in giving primacy to that spiritual truth revealed in the Bible and incarnate in Christ, we do not hold as any less than God's truth those aspects of the truth which are discoverable in the realms of mathematics, chemistry, physics, and other disciplines. Our aim is to integrate all truth in the curriculum, and apply our Christian teachings in all kinds of student activities and all phases of administration.

Hood has always been a church-related college. And from its constructive ties with Christian leadership, in and through the church, has flowed an appreciation for the importance of religion as an integral part of the Hood College program. We try to take our religious goals as seriously as the college catalog claims. This entails not only formal study in courses on religion as part of the curriculum required for graduation, and not only prescribed attendance at regular chapel services. The community of student-faculty fellowship here must be conducive to the development of a personal concern for spiritual growth, and a sense of commitment and dedication.

We do not just educate youth; we educate them for a purpose. The true educator does not stoop to indoctrination. He holds forth the truth where and as he finds it; he strives to motivate his students to accept it and apply it for social good. Such men and women helped educate Harry Steenbock, the great scientist of the University of Wisconson. He dedicated his career to helping the hundreds of thousands of children whose bones were bent and bodies deformed by rickets.

For 16 arduous years, Dr. Steenbock worked in his laboratory, among thousands of healthy white rats with beady eyes and sick, doomed rats with rheumy eyes. After many discouragements, he finally suceeded in trapping the sun to overcome a disease that had plagued mankind for ages. A breakfast food company offered him $900,000 in royalties for the rights to his patented discovery. But he coolly turned down the offer, because he felt that profiteers might put a price on his product which would withhold it from many families who needed it most. He wanted to give strong bones to every baby in America.

Dr. Steenbock therefore helped establish, and turned his patented processes over to, the nonprofit Wisconsin Alumni Research Foundation. Through it more than 400 manufacturers were licensed to give bone-building vitamin D to the public at cost in milk, cereals, flour, other foods, and pills. Since its start in 1925, the foundation's modest royalties have snowballed for the benefit of mankind. Under the inspiring guidance of Harry Steenbock, they have fostered many other discoveries, inventions, and free research, and have provided funds for the professional training of about a thousand promising young scientists.

This kind of motivation—this kind of dedication—was described in memorable words by Justice Oliver Wendell Holmes in 1884, "To carry anything * * * to an end worth reaching," he concluded, "you must believe something and want something with all your might. More than that, you must be willing to commit yourself to a course, perhaps a long and hard one, without being able to foresee exactly where you will come out. One may fall * * * but in no other way can he reach the rewards of victory."

This is a statement of faith for America in our time. And the liberalizing education which produces such faith, and such high social purposes, is our clarion call at Hood College. Let all respond to it who will.

Army Historian Revives 1951 Anti-MacArthur Smear

EXTENSION OF REMARKS

OF

HON. THOMAS J. DODD

OF CONNECTICUT

IN THE SENATE OF THE UNITED STATES

Wednesday, September 27, 1961

Mr. DODD. Mr. President, the publication of the Department of Army His-

tory, dealing with World War II and with the opening phase of the Sino-Korean war, has renewed the controversy concerning Gen. Douglas MacArthur's strategy and his conduct of operations in that war. The section pertaining to the Korean war is in part critical of General MacArthur and the newspaper reports on this publication dwelt upon this criticism.

Maj. Gen. Charles A. Willoughby, writing in the Weekly Crusader, has written two articles in rebuttal to this Defense Department history. I ask unanimous consent that these articles by General Willoughby, appearing in the Weekly Crusader on July 15 and July 21, 1961, be printed in the Appendix of the RECORD.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

ARMY HISTORIAN REVIVES 1951 ANTI-MACARTHUR SMEAR—IT IS AN OLD STORY

On June 10, the newspapers carried wire-service dispatches reporting the upcoming release of a new volume of the Army historical war series, dealing with the Sino-Korean war, 1950–51. Five separate titles are in preparation. This volume 2 is entitled "South to the Naktong-North to the Yalu, June-November 1950." The volume comprises 813 pages. The dispatches, however, were strictly limited to the final chapter XXXIX, "The Big Question," pages 749–776, or approximately 3½ percent of the bulk of this opus. This is an odd statistical limitation. The wire services, of course, did not make this restricted selection; they only reported what was given to them by the author, Roy E. Appleman, a Reserve officer who was a division historian during the war. In the final chapter of his book, by accident or design, Appleman perpetuates an old hoax (long since refuted) i.e., the anti-MacArthur smear of faulty intelligence, alleged surprise in the Korean and Chinese entries into war and an inferential confirmation of all these gossipy vagaries in the Truman-MacArthur conversations during their Wake Island meeting, October 15, 1950. Naturally, the wire services and newspapers picked up the old theme song, though the headlines seem equally divided, viz:

"Army History Explains MacArthur's Bad Guess" (A.P. in Evening Star, June 10, 1961).

"Who Was To Blame for Korean War Mistakes" (U.S. News & World Report, June 19, 1961).

"History of Korean War Due: MacArthur Absolved" (Hearst papers, June 11, 1961).

"Book Says Truman Erred on Chinese" (U.P.I. southern papers, June 10, 1961).

We are reproducing the Washington column, as the substance is generally repeated in all other newspapers. A careful scrutiny of language reveals that the damaging aspects of these brief dispatches are inherent in direct quotes from the author, viz:

(U.S.N. & W.R.) "MacArthur told Truman there was very little chance that China would enter the war * * * (and) * * * MacArthur's opinion appeared most decisive * * * in determining the future course of U.N. military action."

(U.P.I.) "How was it possible for the U.N. Command to mistake so grossly the facts in the situation even after it had met a considerable part of these Chinese forces in combat.

"The author blames not only faulty intelligence but high level misjudgments for contributing to the military catastrophe suffered by the U.N. troops in the winter of 1950–51."

It is pertinent to note here that these are the author's opinions and conclusions. He calmly sits in judgment on General MacArthur and his entire staff. What are his military qualifications, his training? Appleman is a graduate of Ohio State University and obtained an M.A. in history at Columbia University. We will accept that he is a writer on historical topics, trained in historical methodology, though he repeatedly violates every principle of it. As to military and strategic appraisal (and that it is an inescapable element), he entered the Army as a private in 1942 and was commissioned a second lieutenant the following year after completing officer candidate school. In 1944, he was assigned as combat historian with the U.S. 10th Army. The officer candidate school was a highly abbreviated, wartime training course to develop junior combat officers. While giving full and unstinted credit to Appleman's military service—too many embusques and draftdodgers are in opinion-making jobs, alas.—I am not prepared to accept a second lieutenant's views on the strategy of high command in MacArthur's precarious situation in the Sino-Korean war. We will dispose of these items presently. The wire services requested my definition of the salient elements or critical factors in this controversy.

The critical factor in the Sino-Korean war was a bland assumption that four (4) partially trained, understrength divisions in occupation in Japan could handle the North Korean invasion of 1950, with 13 divisions, in a ratio of 4:1.

MacArthur received some reinforcements, notably the Marine division, and completely defeated the North Korean Communists. After Inchon, a brilliant maneuver against the enemy's flank and rear, the 8th U.S. Army took over 130,000 Red prisoners.

Four months later, this identical army with eight divisions and a miscellany of U.N. contributions (another division) was forced to fall back temporarily under the impact of fresh forces—the cream of the Chinese Red Army—initially with 33 divisions (in November 1950) to be increased rapidly to 72 divisions, in the spring of 1951.

Here we are confronted again with military ratios of 4:1 rising to 9:1, blandly expecting the American GI—no superman he—to take on these odds. It is to his everlasting credit that he did—and with unparalleled tenacity wore his enemy to a frazzle—and an armistice in the U.N.

Whenever the congenital idiocy of our foreign and military policy leads to a strategic impasse or the liberal (crypto-Communist) press is looking for scalps, the target is either a commander (unpopular in the Pentagon) like MacArthur or his intelligence services. This happened in Korea (1951) and is repeated by Appleman (1961). It was to happen in the abortive Franco-British-Israeli operations in the Suez Canal affair. It happened quite recently in blaming both the generals (the J.C.S.) and the Central Intelligence Agency for the abortive Cuban invasion.

In every instance the discrepancies in military strength at the point of crisis, the numerical ratios—indispensable yardstick for command decisions—are blandly ignored.

KOREA, 1951—ITALY, 1944; COMPARISONS

Eisenhower did not risk any such gamble in Europe. He did not attempt to expose his divisions in ratios of 1:4 or 1:8. That lethal point becomes crystal clear in a comparison of the Korean and Italian theaters: There are notable similarities in geography, viz:

Both are peninsulas jutting southward from large land masses. Both are in relatively the same latitudes and have similarities in climate. Both are dominated by mountain ranges. Passable, all-weather roads in both countries are few. Korea is a 525-mile-long S-shaped peninsula, varying in width from 125 miles to 200 miles. Italy's familiar boot-shaped peninsula is 800 miles long, 150 miles across at its widest point and 85 miles at its narrowest. Both Korea and Italy are predominantly rough, mountainous countries. The Tabek Range in Korea is comparable to the Apennines in Italy; their heights range from 8,500 to 9,560 feet.

From the standpoint of comparative troop strength, Allied forces in Italy were in a consistently more favorable situation than the U.N. forces in Korea. Ignoring the fact that German infantry was understrength and considering divisional units only, the tabulation below is self-explanatory, viz:

Korea: Relative divisional strengths 1950–51

Allied divisions	[1] 4–8
Red North Koreans	8–13
Red Chinese	33–75
Frontages (miles)	120

[1] 6–9 ROK divisions, in flux.

Italy: Relative divisional strengths, 1944–45

Allied divisions	22
German-Axis divisions	[1] 15
Frontages (miles)	100

[1] German infantry understrength: ½ Allied figures.

Troop densities per front-mile

Korean theater:	
September 1950 (miles, per divisions (8 divisions))	15
November 1950 (miles, per divisions (11 divisions))	36
May 1951 (miles, per divisions (19 divisions))	6
Italian theater:	
January 1944 (miles, per divisions (11 divisions))	5.5
April 1945 (miles, per divisions (22 divisions))	5.4

THE APPLEMAN MENAGE AT WORK

I raise the question if a "historian" of predominantly civil training can be considered qualified to appraise, approve or condemn command decisions and arrive at definitive strategic conclusions in the purely military field? We are not dealing here with a narrative of events but with command and staff on the highest level, with reputations of commanders and technicians who have spent a lifetime in their professions. I state categorically that an accelerated course in a wartime officer candidate school is not sufficient preparation to become a Clausewitz or von Schlieffen or a Camon. The author rather naively gives the show away in his "preface." His admissions are highly suggestive, viz:

"Official records are indispensable for fixing dates and time of major events and troop movements. But anyone familiar with the way the records of combat units during battle are made up will know that they seldom tell the essential facts of what happened and how and why. They are often the product of indifferent clerks transcribing, at places remote from the scene of action, a minimum of messages for something—anything—that will satisfy the official requirement for a report."

Comment: This is calculated nonsense. The staff sections are composed of experienced officers, graduates of service schools who piece together fragmentary information, front-line reports, radio-intercepts, etc., and reduce it to daily summaries and maps. Intimately associated with the situation, over a long period of time, their interpretations on the spot are obviously eyewitness observations, infinitely preferable to postmortem reflections after a lapse of years.

"When the author arrived in Korea in early July 1951 he talked with hundreds of soldiers, from privates to three-star generals, about particular actions and decisions, of which each had personal knowledge 'in some degree.' Many were in distant lands. To them went letters. Over the years, information came back from many corners of the globe."

Comment: My own postgraduate studies in history, at the feet of Frank Hudder, University of Kansas, Lawrence, Kans., impressed on me the fallacy of "post mortem" recollections. Memory is notoriously faulty. A standard test in applied psychology (group reports on events) proves that elapsed time produces variable reports if the class is divided in segments and report at intervals. It is axiomatic that the witness must have authority in his field.

A soldier in the firing line can only report on the segment of terrain under his eyes; he cannot pass on battalion or regimental problems. Specifically, the author, while sharply assailing faulty intelligence, has never consulted me (though available in the same city) on intelligence facts and procedures. In this instance, he has failed to apply orthodox historical procedures. On the other hand, as in the Truman-MacArthur meeting (unrecorded and denied by MacArthur), the author is fond of relying on hearsay evidence and alleged statements attributed to me by others.

"The author turned over to Mr. Mossman a large number of sketch maps and overlays which he had prepared while writing the text. Mr. Mossman, a former infantry officer, has a wide knowledge of military matters. Mrs. Norma Heacock Sherris assisted in finding suitable illustrations."

"The writer is much indebted to Mrs. Joy B. Kaiser. Many a complicated troop movement she has 'reconstructed' on an overlay from coordinate readings in S–3 and G–3 journals and periodic reports. The author never tried to write up the story of an action until after it had been plotted on a terrain map. Thus Mrs. Kaiser, in a 2-year period, saved him much labor."

Comment: Why not use the official G–3 and G–2 maps, produced under the supervision of trained professionals? On what grounds were they ignored? Why was it necessary for the author to make sketch maps and overlays of his own? The net result, of course, is that the pictorial and map presentations are not those of the responsible FEC staff officers in their domain, viz, General Chamerlain (G–3) or General Willoughby (G–2), but essentially the personal impressions of Major Appleman and Messrs. Mossman and Dunay and Mrs. Kaiser, unquestionably devoted workers and estimable civil-servants—but not graduates of the Fort Leavenworth C.G.S. School.

"Mr. Stanley Falk prepared a useful digest of the Far East Command Daily Intelligence Summary, July through November 1950, relative to the Korean war. In an early stage of the work, Mrs. Gwendolyn Taylor gave valuable help."

Comment: This astounding procedure concerns me directly and it is at the heart of the calculated hoax that intelligence was faulty and the Chinese entry in the nature of a complete surprise. From December 7, 1941, onward, the G–2 section prepared a "Daily Intelligence Summary," containing a record of all information (Ground, Air, Navy) that came in, digested all action reports and plotted it on situation maps and overlays. The ebb and flow of military information, action, or events are best handled on a daily basis rather than a periodical review. They reflect the command more accurately; they enable a minute trace of collateral factors. Now, Colonel Appleman evidently failed to understand this (an index of ignorance on the technique of intelligence) and entrusted to Mr. Falk (whose military experience is not recorded) the digest, i.e., the arbitrary selection, of what was or was not important or significant in an official report, for which I had assumed responsibility and which I edited personally and minutely.

This is not, therefore, the intelligence appraisal of MacArthur's G–2, a general officer of long experience in his field, but the arbitrary selection of one Mr. Falk—probably a very estimable person but hardly qualified to pass on my own work or override my own conclusions.

"THE BIG QUESTION"—THE BIGGER HOAX

The wire services and newspapers were evidently guided by and reported largely on the contents of chapter XXXIX: "The Big Question." Appleman blows hot and cold.

(1) "The evaluation by General MacArthur and his intelligence officers of Chinese intervention and Chinese military capability in Korea in October and November 'seems' to have been the determining factor in shaping U.N. military action."

Comment: We accept that Washington received the daily intelligence summary from Tokyo (the DIS) and unless they had something better, they had to agree.

(2) "It must be inferred that either Washington was undecided or that its views coincided with that of the C in C."

Comment: Better than "interference." Appleman should know that there were also daily telegrams and frequent "telecon" conversations.

(3) "The Korean war had scarcely begun when the Far East Command began to consider the threat of Chinese intervention."

Comment: Does that sound like a "surprise," as charged?

(4) "Much of the information on Chinese troop movements came from Chinese sources on Formosa. Chiang Kai-shek received a steady stream of intelligence from his agents on the Chinese mainland."

Comment: Quite so. The CIA was kicked out of China and sought (and obtained) refuge and fraternal sustenance from G–2 in Tokyo. We had been in touch and supported Chiang Kai-shek's intelligence efforts as far back as Manila (1941); we even had one of Tai-Li's men on our staff; he was a graduate of West Point [sic].

(5) "On September 8, the Daily Intelligence Summary (D.I.S.) included a report that if the outcome of the (Korean) war seemed doubtful, elements of Lin Piao's 4th Field Army probably would be committed.

"The F.E.C. (MacArthur) learned in mid-September of an 'alleged' conference in Peiping where it was decided to support North Korea 'short of war.' "

Comment: This brings into sharp relief the function of brother Falk, as a "selective digest" of the D.I.S. He picked the wrong sequence or failed to understand the significance of what he omitted. The information was available in D.I.S. 2909, August 27, 1950. Note a "facsimile reprint of 'Intelligence Highlights,' a daily feature of the D.I.S. which I personally edited every day.

(6) "On the last day of September, the D.I.S. reported on an 'alleged' high-level conference in Peiping, August 14, at which it was decided to provide 210,000 Chinese troops for use in Korea."

Comment: Previously reported. A confirmation which can hardly be said to sustain Appleman's thesis of MacArthur being "surprised." Note the frequent use of the adjective "alleged" (like a police blotter?) for intelligence data.

(7) "A new note of more official character entered in the intelligence clamor on October 3. Chou En-lai summoned the Indian Ambassador, Sardar K. M. Panikkar, and told him if U.N. forces crossed the 38th parallel, China would send troops to defend North Korea."

Comment: So both Washington and MacArthur knew of Chinese "intentions." The surprise element is thus vanishing. This completely negates the Truman-MacArthur talks on Wake Island.

(8) "On October 5, FEC intelligence listed as a No. 1 priority in enemy capabilities 'reinforcement by Soviet satellite China.' But this estimate did not long remain in first priority. It dropped. On October 14, it again raised reinforcement of North Korea to first priority. There it remained during the Wake Island Conference * * *".

Comment: This is Mr. Falk's evaluation, the assistant who made digests for Appleman. This is his opinion on priorities. It cannot possibly erase the existence of our printed reports, personally edited by me every night, the responsible G–2 whom Appleman failed to interrogate or contact, at any time, in his postmortem historical investigation, though we both lived in the same city.

(9) "The D.I.S. for October 14 (day before MacArthur-Truman conversation) carried a lengthy analysis and 'presumably represented the official view of Maj. Gen. Charles A. Willoughby, the FEC G–2. This estimate accepted a total strength of 38 Chinese divisions in 9 armies (corps) in Manchuria. It expressed the view that Russia would find it convenient and economical to stay out of the conflict and let the Chinese provide the troops. It went on to say that the interest of all intelligence agencies was focused on the 'elusive Lin Piao' and the Yalu River."

"Declarations by Chinese leaders threatening to enter North Korea are probably in the category of diplomatic blackmail * * * beyond the purview of (field) intelligence: it is a decision for war on the highest level, i.e., the Kremlin and Peiping. However, the numerical and troop potential in Manchuria is a fait accompli. A total of 24 divisions are disposed along the Yalu River at crossing points * * * the grouping in the vicinity of Antung is the most immediately available force, astride a suitable road net for deployment southward."

Comment: Appleman supplied italic (for the blackmail item). Why did he not also supply italic (for emphasis) for the Chinese divisions, in position of readiness, along the Yalu—the fait accompli of 24 enemy divisions? Appleman then plays his "ace," the MacArthur-Truman conversation on Wake Island, October 15—though no amount of conversation could diminish the number of Red divisions crowded in the sanctuary of Manchuria or wipe away the fait accompli of river crossings held in overwhelming strength.

(10) "The conference between the President, General MacArthur, and selected advisers * * * most of the talk concerned plans for the rehabilitation of Korea. * * * In response to President Truman's question 'What are the chances for Chinese or Soviet interference?' notes of the conference indicate that MacArthur replied: 'Very little * * * the Chinese have 300,000 men in Manchuria * * * 10/200,000 are distributed along the Yalu River * * * we have bases for our Air Force in Korea. If the Chinese tried to get down to Pyongyang there would be greatest slaughter * * *.' "

Comment: Substance of statements, compiled by Gen. Omar N. Bradley from "notes kept by the conferees from Washington." This is the same Bradley, implacable foe of MacArthur, who probably cast the deciding vote in the J.C.S. for the subsequent dismissal of the general. The same Bradley who viewed the Korean war "as the wrong war, in the wrong place, at the wrong time." Does he think the front: Denmark-Berlin-Switzerland as the right front, the right place, the right time? We could have stopped the Chinese (and the Russians) in Korea. Siberia is harder for the Russians to support than East Germany and we will soon be confronted with it. Obviously, this is the place to ascertain MacArthur's real views on Wake Island and puncture Appleman's balloon, reflecting, of course, the Pentagon's hostility toward the general at the time. A la suite of the wire services reports on Army history, MacArthur issued the following statement:

"MACARTHUR'S STATEMENT ON THE WAKE ISLAND CONVERSATIONS

"General of the Army Douglas MacArthur released a statement to the United Press International on June 14, 1961, concerning the entrance of Communist China into the Korean war:

"(a) *There is no substitute for victory*

"'Probably through a misunderstanding of the text reported upon, or for other unknown reasons, there has recently been published an incorrect impression of the references made in the excellent work, "South to the Naktong, North to the Yalu," by Roy E. Appleman, to my reply, "Very little" to a query during the Wake Island conference concerning my views on the possibility of Soviet or Red Chinese national forces formally entering into a state of war against us on the Korean Peninsula. The author records in his text the assumptions upon which this reply was based. They were that any such act of war would cause us to react in our conventional, traditional, and historic manner by employing our full power to destroy the enemy's bases of supply and attack, thereby isolating his forces already on the peninsula where we had complete control of the air and adjacent seas in addition to possessing a practical monopoly of atomic power.'

"(b) *Treason in Embassy and U.N. channels*

"'Under such adverse conditions no enemy commander in his right senses would have committed major forces to such a peninsula campaign without prior assurance that we would accord him a privileged sanctuary within which safely to mount and supply his offensive against us. Such an assurance may well, indeed, have been communicated to the Red Chinese by the British traitors, Burgess and McLean, who defected to the Soviet during the Korean war with full top secret information on the war plans and intentions of the United States—plans and intentions which insofar as they related to our reaction to formal acts of war against us by Red China were not communicated to me as the commander in the field.

"'Our field intelligence kept us informed of the deployment of Red Chinese troops on the Manchurian-Korean border but this deployment was a natural defensive measure in view of the conflict raging to the south. Moreover, the decision of one nation to enter upon war against another involves a political decision quite beyond the reach of field intelligence.

"'The discussion concerning the accuracy of American estimates of Red China's intentions in reference to the Korean conflict is, however, largely academic. The results would have been the same.'"

"(c) *Our leaders lacked the will to fight*

"'We had publicly announced our national objectives as the clearing of North Korea and unification of the country, and such objectives could and should have been achieved quite regardless of any military intervention by others, especially as we then had the power to achieve them against any nation or combination of nations on earth. What we lacked was not measured in terms of military inteligence or of military power but in the courage of our leaders to keep faith with our fallen soldiers and to fight through to the victory for which they died.'"

DEPLOYMENT OF CHINESE ARMIES: FROM CANTON TO THE YALU

The northward displacement of Chinese Regular Army units beginning with August 1950, from South and Central China was reported as soon as information came in, through Chian Kai-shek's agents on the mainland and certain cryptographic and diplomatic fragmentary data became available. The source is irrelevant; the point is—was this information made of record in Washington, in Tokyo, and distributed to commanders in the corps and division level? It was—and the long-established (1941) medium was the "Daily Intelligence Summary" (D.I.S.), a paperbound daily publication, mimeo processed, which time-conscious Major Appleman preferred to have boiled down by one of his assistants. We have already furnished sample pages from the D.I.S. We also have on file maps showing mainland locations of the Chinese 3d and 4th Field Armies, the cream of the crop, which eventually fought in North Korea. Their progress toward Manchuria and the Yalu was reported by me in unbroken succession and with a sense of increasing urgency, viz:

D.I.S. 2849, June 28, 1950: "The possibility exists that North Korea may receive reinforcements from Chinese Communist Forces."

D.I.S. 2856, July 5, 1950: "Early contingents of Chinese Communists of Korean nationality have been integrated in the Red North Korea Army. Hereafter * * * these units will be employed intact and retain their identity."

D.I.S. 2859, July 8, 1950: "Intervention (in Korea) can be expected should Mao-Tse Tung believe the situation favorable for decisive action."

D.I.S. 2888, August 6, 1950: "South Chinese Party official announced that if North Korea is invaded (by the U.N.) the Chinese would offer North Korea whatever assistance is needed."

D.I.S. 2913, August 31, 1950: "Report on troop movements from Central China to Manchuria over a considerable period." See facsimile of D.I.S. 2909 August 27, att.

D.I.S. 2921, September 8, 1950: "If North Korea forces are unsuccessful in driving the U.N. from Korea, General Lin Piao's Fourth Field Army will be committed."

D.I.S. 2937, September 24, 1950: "Indications that Communist troops on the Korean border moving south into Korea."

D.I.S. 2948, October 4, 1950: "Buildup of Chinese forces along the Korea-Manchurian border. Massing at Antung and other Yalu crossings conclusive."

D.I.S. 2963, October 20, 1950: "Intervention is a decision for war on the highest level, i.e., the Kremlin and Peiping. However, the numerical and troop potential in Manchuria is a fait accompli. A total of 24 divisions are disposed along the Yalu river * * * the capacity for crossing at Antung or north (therefore) is not questionable."

D.I.S. 2974, October 31, 1950: "Indications that some of the units disposed along the Yalu had already crossed the border and were then in Korea."

After the first capture of Chinese troops, Tokyo removed the problem of Chinese intervention from the "realm of the academic" to a serious, proximate threat. Although "piecemeal commitment" for limited purposes was possible, Tokyo warned of not losing sight of the maximum potential of the Chinese Reds, i.e., a prompt commitment of 29 of the 44 divisions then identified along the Yalu. On November 3 the Communist order of battle in Manchuria was shown in great detail. See facsimile page of D.I.S. 2977, reproduced previously.

DEPLOYMENT OF CHINESE ARMIES: OPERATIONS IN NORTH KOREA

At this point, I quote from briefings to the press, in the critical period. Identifications based on actual captures and interrogation of Chinese soldiers merely confirmed what previous D.I.S. had currently forecast. I accept full historical responsibility for the wordings of these daily intelligence summaries; they were mimeo reproduced during the night, in order to be on General MacArthur's desk in the morning with airmail distribution to other command posts. Emphatically, this was not the product (as Appleman believed) of "indifferent clerks transcribing a minimum of messages * * *."

November 1: The initial entry began in October via Yalu River crossing points and continued slowly throughout November. Along the Yalu River, 11 Chinese armies, i.e., corps of 3 divisions each were stationed poised for action, in a position of readiness. This represents 33 divisions, approximately 10,000 men each, with an infantry component of 6/8,000.

November 25: Under the cover designation of "volunteer" forces, three Red corps had been identified and more were suspected. The U.S. 8th Army, with four ROK divisions and four American divisions were engaged in probing attacks along the Sinanju-Kunuri front. On that date 6 Chinese corps, or 18 divisions were in partial deployment west to east from Chongju to Tokchon. They took extraordinary care not to disclose their positions; reinforcements were coming in from the Yalu (never crossed by our planes) at a distance of only 50 miles.

This broad deployment lent itself to a wide envelopment. When the east (Korean) flank of the U.N. Forces broke, the 40th, 38th and 42d Chinese Corps were in a position to move south and west and pin the 8th Army against the seashore and destroy it piecemeal.

The probing attack on the 8th Army (a reconnaissance-in-force) in that period, disclosed the full extent of the Chinese commitments, in a superiority of 8 U.N. divisions to 18 Red divisions, without counting the rehabilitated I, II, and III, North Korean Corps with an additional 9 Red divisions to enter the picture later on.

December 12: The U.S. 8th Army promptly fell back successively, while the Xth U.S. Corps was fighting a similar action, with a view of evacuating its exposed position and rejoin the 8th Army at a later date.

December 27: The enemy followed slowly in the same deployment of six Chinese corps, always with the plan to again envelop the east flank. At no time was the U.S. 8th Army in a position to offer serious opposition until the junction with its X Corps; the addition of five divisions would give the combined 8th Army a chance to select a position, fight or resume the counter offensive. This was done in February. Even then, the discrepancies in total strength would continue in favor of the Chinese with the entry into action of the rehabilitated North Korean I, II, and III Corps.

December 27: The U.S. 8th Army deployed generally along the 38th Parallel, with the bulk of the American Divisions in the left sector. In the meantime, the brilliantly successful evacuation of the X Corps was terminated on December 24 and two ROK Divisions were landed on the east coast, in the area of the enemy III N.K Corps. The mass of the Chinese, however, began to concentrate on a narrow front, in column of divisions, with a view of penetrating in direction of Seoul and the potential of a double envelopment. The attack was anticipated several days in advance, as of January 1, when it was actually executed. As stated previously, at no time was the 8th Army in a position to stand and fight until a junction of the X Corps and the entry into action of its 5 additional divisions. Consequently, the army fell back again to an East-West line through Pyongtaek.

January 30: Coincidental with the entry into action of the X Corps, the 8th Army noted a slackening of enemy resistance in the west sector and evidence of a sideslipping to the east of the Chinese forces. As on the Anju-Kunuri line on November 24, the 8th Army resumed the offensive in a closely coordinated attack, with limited objectives—but with its East flank now strongly secured by the X Corps, which was not the case on November 28. This forward movement dislocated whatever project the enemy was in process of execution. His Western Corps including the I N.K. were driven

northward and across the Han River, involving 12 Divisions. When 6 more divisions, deploying to the east, collided with the IX and X U.S. Corps, they suffered a staggering defeat and by February 20 were in full retreat.

Six Chinese Corps or 18 Divisions have now been committed, as well as the rehabilitated V, II, and III N.K. Corps, an additional 10 divisions of lesser combat quality. This represents a ratio of 31 divisions against 12 combined U.N. divisions. The issue here is not necessarily between equipment or armament but between infantry; the infantry slice per Chinese Division is close to 7,000. There are local instances in which the discrepancies in infantry were staggering. On February 14 the 23d Infantry with a French Battalion attached stopped the onslaught of the entire 42d Chinese Corps, the 123d, 124th and 125th Divisions. In terms of infantry this represents 4 U.N. Battalions against 27 Communist Battalions and in terms of doughboys, about 4,000 against 23,000 a ratio of 1:6; at this stage of the game, the average U.N. division attempts to hold a frontage, as the crow flies of 12–15 miles.

THE YALU AND BERLIN: WHAT ARE THE RED INTENTIONS?

Berlin is a little closer than the Yalu. But already precautionary questions are being raised about the Kremlin's real intentions. The boys are getting ready "to cover up." Now the line of demarcation between "enemy intentions" and "enemy capabilities" is thin—but sharply drawn. Field intelligence can normally appraise "enemy capabilities," i.e., strength, direction, and disposition of his forces. At the Yalu, however, the decision of a nation (like Red China) will risk a major war (by attacking U.N. contingents) was obviously in the diplomatic field. It could hardly be ascertained by the infantry patrols of the 8th Army.

As to Red "capabilities," they were progressively clarified tracking the Red armies from Canton northward to the Yalu; the deployment of enemy divisions along the Yalu; spotting assembly areas at bridge crossings, etc. As to when they would cross (the calendar date) depended largely on daily aerial observation; unfortunately, that was forbidden by Washington. There remained only a "probing action," a reconnaissance in force—which is exactly what MacArthrur ordered—and found out. We have an identical situation today around Berlin and along the NATO front.

ARMY HISTORY EXPLAINS MACARTHUR "BAD GUESS"

A new official Army history says, in effect, that if Gen. Douglas MacArthur was wrong about the Red Chinese entering the Korean war, so were a lot of other people, including top Washington officials.

The new Korean war history says that when General MacArthur told President Truman in mid-October of 1950 that Chinese intervention was unlikely he was merely repeating a view held generally in Washington.

The Chinese did enter the war before the month was out. A prolonged debate arose about whether there was intelligence warning of the impending Chinese intervention.

In the following year, Mr. Truman removed General MacArthur from command, but the reason did not involve the old argument about intelligence. Mr. Truman was angered over General MacArthur's insistence that he be permitted to pursue the Chinese Reds into China and that his planes bomb munitions sources across the border.

PART OF A SERIES

The latest account of the intelligence controversy is contained in a new volume of the Army historical series.

Written by Roy E. Appleman, a Reserve officer who was a division historian during the war, the new book is scheduled for distribution later this month.

Of the conference between Mr. Truman and General MacArthur at Wake Island on October 15, 1950, the book says that Mr. Truman asked General MacArthur, "What are the chances for Chinese or Soviet interference?"

According to the history the substance of General MacArthur's answer was "Very little. Had they interfered in the first or second months, it would have been decisive.

"We are no longer fearful of their intervention. Wo no longer stand with hat in hand."

"PURELY SPECULATIVE"

The history says that "General MacArthur has challenged the accuracy of the notes of the conversations at the Wake Island conference." It says he claims that while he did say the chance of interference was very little he added that this opinion was purely speculative and represented the military view, whereas the question fundamentally was one requiring a political decision.

The book adds:

"It must be noted that General MacArthur's opinion of the subject was not questioned by the President or any of the others present, who must be assumed to have had knowledge of the highest level of intelligence. * * * It would seem General MacArthur in responding to the President's question merely voiced the consensus of the highest officials from the seat of Government."

Congressman Joseph E. Karth Reports on Activities During the 1st Session of the 87th Congress

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EXTENSION OF REMARKS

OF

HON. JOSEPH E. KARTH

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 27, 1961

Mr. KARTH. Mr. Speaker, this 1st session of the 87th Congress has been an eventful period for the Nation and for the people of Ramsey County.

Job and business opportunities in the St. Paul area are looking brighter than ever as the result of Federal projects. Work started on the $8,317,000 St. Paul-South St. Paul floodwall which will make possible a whole new industrial park in the Riverview area when the floodwall is completed. Soon construction will be begun, within weeks, on a $7,600,000 annex to the present post office and custom house. By far the most spectacular development was the rapid authorization for a completely new Federal office building and courthouse for St. Paul to cost $11,700,000 when completed. Already $1,553,000 has been appropriated for buying a site and making preliminary designs.

In addition, swift progress is being made to build a new Lake States Forest Experiment Station on the University of Minnesota St. Paul campus. Preliminary plans for this $1,250,000 building and facilities are well along.

Included in the public works appropriations for this fiscal year are $750,000 in funds to continue work on the Mississippi River floodwall and $15,000 for a survey of Pigs Eye Lake to determine its capabilities as a harbor. The lake is envisioned as the great barge terminal of the upper river which will exploit more fully St. Paul's advantage as the great gateway to the Northwest of the North American Continent.

I sought in all ways possible to attract defense, space, and commercial work to the Twin Cities area and Minnesota to help our economy.

NATIONAL SCENE

In Washington the erratic joint performance of Congress and the new administration during this last session reminds me of a couple of skittish farm horses working in a doubletree for the first time. There's much snorting, confusion, backing and hauling, kicking, rearing, jumping the traces, and getting tangled up in the harness before the hard work gets started.

But for all these early difficulties the "team" turned in a pretty impressive performance on legislation during the first session. True, not all the important domestic legislation proposed was given adequate consideration. What best characterized the new administration's attitude in this field was a basic concern for our country's human resources. At its request Congress passed an extension of temporary unemployment compensation benefits for long-term jobless workers in industry and on the railroads; benefits for the children of the unemployed on the same basis as fatherless children; improvements in social security benefits, involving increased minimums, allowing men to retire at 62 with reduced pensions, and raising widows' benefits—involving 4.4 million people; an authorization to distribute surplus food to the destitute; improvements in minimum wage protection to include 3.6 million more workers and to raise the wage to $1.25; a vast new housing and urban renewal program to help in the rebuilding of the country's deteriorating cities; and, an Area Redevelopment Act to encourage economic rebuilding of cities and farm areas which have lost substantial industry.

Other congressional action, of special interest to Federal workers, was the passage of bills to increase the allowances of those who are required to travel, and legal protection of Federal employees involved in auto accidents while on official duty.

I worked for the enactment of a longevity pay bill which would give postal workers benefits at least comparable to those in the Federal classified system. This is important unfinished business to be taken up in the second session and should be enacted into law.

In the field of civil rights the new administration has concentrated on using the vast and effective powers of the executive department in broadening employment opportunities for all workers wherever this Government has any influence. The results have been substantial. In advancing civil rights in housing, education, transportation, and vot-

ing, the administration's achievements have been truly impressive.

American agriculture has become a problem heretofore unknown in history—a farm economy which produces more than its intended market can possibly consume. Under the preceding national administration, policies encouraged farmers to grow ever-larger crops for storage. The present administration has attempted to reduce excess production of wheat and feed grains to ease the tremendously expensive problem of storage. It has sought, too, to save the farmer's level of income. The omnibus farm program which was passed by Congress developed new approaches which it is hoped will best accomplish these objectives.

To ease the worst effects of the recent drought in Minnesota and the region, I helped work for the enactment of laws to preserve the basic herds of livestock through Government assistance for feed and loans.

To encourage local communities to do a better job for the health of their people this Congress passed a water pollution control law to double the rate of building new sewage treatment plants and to encourage the construction of community health facilities, mainly for nonhospital health services including nursing homes for the chronically ill and the aged.

INTERNATIONAL SCENE

National defense and the response to Russian attempts at technological terror in atomic energy and space have preoccupied a substantial part of the attentions and the energies of the administration and the Congress.

Laos, Cuba, Congo, Berlin, and Vietnam are world trouble spots which recently highlighted the clash of interests between communism and democracy.

Our major task was rebuilding our country's armed strength which had been somewhat dismantled during the last 8 years behind the slogans of "more bang for a buck," "massive retaliation," and the like.

Billions of our treasure have had to be appropriated for ballistic missiles, bombers, Polaris submarines, armored vehicles, atomic cannon, and the vast amounts of fabulously expensive hardware that go into a modern defense establishment.

Khrushchev's missile-rattling and threats of military adventures raised our arms budget from an estimated $40.3 billion last January to an appropriation of $46.7 billion now.

In addition we have had hurriedly to develop an orderly scheduled U.S. space program to counter the Russian policy of technological terror which has had the effect of shaking the confidence of our allies and the so-called neutrals in our ability to maintain a superiority in science. From my knowledge I am sure we are well ahead in the overall scientific spectrum although we have suffered a propaganda setback as the result of Russia's "space spectaculars."

Congress approved $1,671,750,000 in funds for the National Aeronautics and Space Administration for our country's civilian space program in the next year. Some of this money will be spent to speed up our program for a manned moon expedition which has now been given an urgent priority. While the physical act of landing a man on the moon is not in itself too important, the technological knowledge gained by acquiring this ability is of immeasureable value.

It is to our foreign relations that the administration and this Congress have given special attention.

Foreign economic and military assistance to help friendly nations to help strengthen themselves so they do not fall prey to Communist subversion and assault was of first importance. Congress approved $3.9 billion for this purpose in the final hours of the session. Included in this legislation was $30 million for a bold new idea, a Peace Corps of dedicated men and women who will live with and teach special skills to the peoples of underdeveloped areas in the world.

Communist attention to Latin American lands in turn stimulated the administration to propose a new alliance for progress program implemented by $500 million in funds. The shock of Cuba's line-up with the Communist world has forcefully called American attention to the threatening revolutionary situations in the Western Hemisphere.

As part of our worldwide offensive of new ideas the administration and Congress worked out a new U.S. Arms Control and Disarmament Agency to gather together the best available brains of our country to prepare research and data for the day when arms control becomes the subject of genuine negotiation among the world powers. I am proud to have been associated with the enactment of this idea because it deals with the crucial matter of human survival and also because it will explore the very fundamental relationships of an economy whose prosperity has become alarmingly dependent upon huge defense budgets. Economists and Government officials have long asked each other the worried question, "What will happen if peace really breaks out?" Through the Arms Control Agency we at last have an important means to make a serious, continuing study of gearing a highly productive economy to peace.

UNFINISHED BUSINESS

While this session has been one of the most productive in many years, Congress has much to do when it reconvenes in January 1962. A few of the important matters it will surely have to consider are bills for:

Tax reform—plugging loopholes to raise money to alleviate a deficit caused by defense increases;

Manpower retraining—providing a program to train workers made permanently jobless through technological change and shifting industry;

Education—authorizing programs for Federal assistance, such as for medical students and elementary and secondary school-age children;

Aged—adequate medical and hospital care for the aged under the social security system;

Labor—setting minimum standards in the administration of the unemployment compensation system; and, clarifying provisions of labor relations laws; and

Federal postal and classified workers—revising employee legislation to improve and equalize salary schedules and to provide machinery for collective bargaining.

Other important bills will of course come up and may even precede those I have listed because events will dictate the action to be taken.

I am confident, though, that the Congress and this administration will continue to move ahead in mutual respect and harmony to meet successfully whatever challenges will arise and to assure as best we can the well-being of the American people and the peoples of the world.

Before Time Runs Out

EXTENSION OF REMARKS
OF
HON. WM. J. RANDALL
OF MISSOURI
IN THE HOUSE OF REPRESENTATIVES
Wednesday, September 27, 1961

Mr. RANDALL. Mr. Speaker, about the 20th of September, it was our privilege to have a discussion with one of the officials of the Aerospace Medicine Division of the Office of the Surgeon General of the Department of the Air Force. The subject of our discussion was the effects of radiation from atomic tests upon tissues of the human body.

The conference was arranged at our request after a trip to the Nevada Testing Grounds back in April where we became extremely interested in the effect of radiation and came back to Washington with a determination to find out if any research was being done or performed which might lead to the discovery of a prophylaxis, or some means or methods whereby medical science could build up in advance, a degree of resistence or immunity to radiation comparable in a way to vaccination or immunization measures for virus or disease.

Since the publication of the book in 1958 entitled "On the Beach," we have been intensely interested and devoted to the idea that along with all other types of atomic research and development, there should also be funds appropriated for radiobiology research, that is, for those that remain alive and physically competent, some medical treatment might or could be researched and developed in the hope that it would reduce to a minimum the effects of radiation which would otherwise continue to deteriorate and degrade the remaining population.

Mr. Speaker, I wish to insert as extraneous matter, an excerpt from an article in the Washington Post of September 23, 1961, by Drew Pearson, entitled "Russian A-Tests Will Cause Cancer." And I quote part of that article as follows:

Experts estimate that the Russians have already spread enough strontium 90 during the month of September to cause 100,000 cases of bone cancer in the United States

alone. In most victims the cancer will develop slowly in the next two decades—far removed in time and space from the September in Siberia when the poison was turned loose.

Thus Premier Khrushchev's cute grandchildren whom I saw playing in the sand beside the Black Sea will not know for a long time whether they will suffer cancer from the bombs exploded by their grandfather; nor will my grandchildren and all the other children of the United States and Russia know for 10 or 20 years whether they will suffer.

Another thing: The United States may well receive a heavier dose of radioactive fallout than the Soviet gets from its own tests. This is because the winds move from west to east, and come next spring will drift south with the polar air masses bringing radioactive spring showers. It's the rain that deposits the greatest amount of fallout and we get far more rainfall than Russia.

Regardless of whether the United States or Russia suffers most, however, one thing is certain; Scandinavia and Canada are directly in the northern airstream; Africa, South America and southeast Asia, in contrast, will suffer least.

Thus the white races and the cultural centers of the world, where the population is least dense, are getting the heaviest dose of radioactive poison. The underdeveloped countries with their heavy population centers in India, Indonesia, and southeast Asia will suffer least.

Our tests caused far less contamination of the world's atmosphere than current Soviet shots which scatter almost all their radioactive residue into the jet streams. The contamination is 5 to 10 times more concentrated than around the equator.

In short, the Russian tests will deposit hotter fissionable material on the people of the world in greater quantity and in a shorter time. So far, we are keeping our tests underground.

Some further facts about fallout:

1. Any dose of radiation, no matter how small, produces a harmful biological effect.

2. The people of northern and central China will absorb more strontium 90 than the people of the West. For the orientals get their dietary calcium mostly from cereals, westerners mostly from milk. But the dose of strontium 90 in milk is expected to double in many U.S. areas as a result of the Soviet tests.

3. Russia's radioactive blasts will linger in the atmosphere for another year, hanging like an invisible pall over the northern hemisphere. And the most dangerous poisons—strontium 90 and cesium 137—will come down with either rain or snow. This is why the poison will fall unevenly depending on the snow or rainfall in certain areas. You are certain to see "hot snow" next winter and "radioactive rain" in the spring.

4. Some experts warn that radiation danger is increasing so rapidly that nations won't be able to test nuclear weapons in the atmosphere. World outrage and the danger to their own people may become too great. These experts have suggested privately that Russia may have been in a hurry to get her atmospheric testing accomplished before the radiation level rises to the point that the world rises in anger against the tester.

Our conference with officials of the Department of Defense in the interest of intensified radiobiological research was very encouraging. The representatives of the Air Force and the Atomic Energy Commission agreed that while the mission of the Medical Department of the Department of Defense in support of radiobiology research program is to insure the capabilities of the combat personnel to accomplish their assigned mission in war, the responsibility goes much broader than this in the concept of national survival. National survival, of course, requires survival of the people, our most important single national resource. The importance of conserving this resource is the long lead-time required to replace it. National survival after a thermonuclear holocaust requires not only that the people remain alive, but that they retain their competence to rebuild that which has been destroyed, in order to arise again as a well-integrated nation.

This requires not only that they remain alive and physically competent at that time, but if at all possible to reduce to a minimum any late effects that radiation in the environment might have, thereby deteriorating and degrading the competence of the population of this country. To this end better knowledge of the effects of radiation upon the tissues of the human body is required. In order to do this appropriately, we must counteract the extremes of opinion which say at one end, "Radiation is no problem," and which say at the other end, "It is too devastating to comprehend." Somewhere between these two extremes lies the truth, and the elucidation of this truth on a scientific factual basis is the goal of radiobiological research.

Mr. Speaker, in our opinion, this field of radiobiology research is not just simply interesting and fascinating, it is of vital importance to every person in our land.

The United States spends sizable sums of money on general medical research each year, but here is a field of research which must be thoroughly—but hurriedly—explored while there may yet be time.

The clock is turning fast. The danger may be great from present tests, but if the tests should cease and thermonuclear war should commence, the very research so desperately needed might have to be suspended.

It is our sincere hope that with the coming of the new session, careful and earnest thought will be given to adequate appropriations leading to the discovery of a possible prophylaxis against the effects of radiation.

Let us hurry with this important goal of radiobiology research while there is yet time.

Fire From the Hill

EXTENSION OF REMARKS

OF

HON. STYLES BRIDGES

OF NEW HAMPSHIRE

IN THE SENATE OF THE UNITED STATES

Wednesday, September 27, 1961

Mr. BRIDGES. Mr. President, I ask unanimous consent to have inserted in the Appendix of the RECORD an article which appeared in the New York Journal of Commerce for Thursday, September 14, 1961, entitled "Fire From the Hill."

This article deals with the vital question of how best to provide financing for our railroad industry, and it raises a question which warrants the careful scrutiny of all thoughtful persons.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

FIRE FROM THE HILL

It was inevitable that sooner or later the Interstate Commerce Commission would come under congressional fire for underwriting those private loans to the New Haven Railroad that the Government is now obliged to write off.

The amendment Congress tacked on to the Interstate Commerce Act's section V via the Transportation Act of 1958, was, of course, intended to help ailing railroads by authorizing ICC to guarantee private financing of new equipment purchases in circumstances where the carrier could not obtain such financing at reasonable terms without such a guarantee. The fact that several years ago an Eastern railroad was unable to market equipment trust obligations at the high rate of 7 percent helped convince Congress that some kind of aid of this type was urgently needed.

But the 1958 act did specify that the commission was only to underwrite such loans on behalf of the Government when convinced that there was a reasonable prospect that the loans would be repaid. It was with this in mind, apparently, that the House Appropriations Committee refused this week to recommend that the Government pay New York banks $14.7 million guaranteed by ICC to help the New Haven, which is now in reorganization. This does not mean that the Treasury will not honor the obligation. It merely means that the committee itself, for the time being, wants no part of the matter.

There is, perhaps, some point to this righteous legislative indignation, although we are not too sure what it is.

During the early months of this year, when ICC was still underwriting section V guarantees to the New Haven, there were grave doubts that the railroad could long survive. But by that time, the Commission was heavily committed as, indeed, were many other of the New Haven's creditors.

Last year, although the New Haven had been badly bruised by fate, prospects looked much better. If the winter had not been so bad, if the economic slump had not gone so deep the section V loans might just have tided the New Haven over its crisis. In that event neither the Commission nor section V would be getting dark scowls from the Appropriations Committee today. As matters turned out, ICC guessed wrong. The section V loans were not enough. And section V is under a cloud.

But before heaping too much censure on the Commission let us recall the purpose of the section V loans. It is not to provide Federal guarantees to prosperous railroads (and there are quite a few of these); it is to bolster those which are skirting so close to the edge of financial disaster that they are no longer able to finance their equipment needs in the marketplace.

In these circumstances, almost any guarantee ICC gives must necessarily be marginal. If there were no element of risk there would be no need for the guarantees.

And to put it quite bluntly, in the case of the New Haven the major fault lay not so much with ICC as with the State, municipal, and local governments which, dependent upon the New Haven's essential services, should have come promptly to the rescue; which did a great deal of talking about it but did not get around to acting on their alarms until too late. ICC did act, but until just about the time the hearse showed up at the door, it acted alone.

We are not so much concerned, however, with the pros and cons of ICC's handling of

the New Haven guarantees as with the effect of the current congressional criticism on the future of the guarantee program.

Let it be remembered that ICC's initial approaches to these loans were those of a barefoot man tiptoeing through a darkened room littered with broken glass. Many long months passed before it consented to approve any section V loans at all. Even today, 3 years after the act was passed, and near the end (we hope) of one of the worst periods in the history of American railroading, it has guaranteed a total of only $138 million in section V loans out of a total authorization of $500 million.

This does not strike us as the record of a profligate, free-spending agency dedicated to letting the chips fall where they may. On the contrary, the Commission is about as cautious an organization as is to be found in Washington, even if one includes the branch libraries. If one effect of the current spate of criticism of ICC's actions in support of the New Haven is to scare it into turning down any further section V guarantees under which repayment potentials are doubtful—the only railroads that will be able to qualify for this type of assistance in the future will be those that don't need it and don't want it.

Goals of the New Frontier: Housing Programs

EXTENSION OF REMARKS

OF

HON. WILLIAM S. MOORHEAD

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 27, 1961

Mr. MOORHEAD of Pennsylvania. Mr. Speaker, the Housing Act of 1961 has been hailed as one of the greatest pieces of housing legislation ever to pass the Congress. In speaking of the act, President Kennedy said:

> For the communities of the Nation, large and small, it provides an opportunity for a giant step toward better cities and improved housing. And I think the beneficial effects of this legislation will be felt by every American.

Those who remember the bitter frustrations of recent years can fully appreciate the monumental accomplishment that this act represents. For years we were confronted by an administration which opposed any new housing legislation. We had to fight vetoes, threats of vetoes and obstructive parliamentary tactics to get even the most modest housing measures. The Housing Act of 1961 provided, for the first time, an FHA loan program which will benefit low income families, and added to the Housing Act such forward looking measures as loans and grants to communities to attack the problem of mass transportation, and assistance to them in preserving open spaces for recreation and conservation.

MIDDLE INCOME FAMILIES

There are many families whose incomes were a little too high for low-rent public housing and yet not quite high enough to be able to afford decent private housing who have received little benefit from previous housing programs. The Housing Act provided that modest income families be eligible for loans with terms as long as 35 years, and even 40 if needed, and downpayments of as little as 3 percent of the sales price. In addition, under a new program of low interest loans for rental and cooperative housing the FHA can insure a mortgage on a project with an interest rate as low as 3⅛ percent. This will mean a saving of as much as $20 a month per family, compared to ordinary rental housing financing.

HOUSING CONSERVATION

The Housing Act also deals directly with the problem of maintaining and improving existing homes. It is far more economical to prevent the development of slums than it is to spend hundreds of millions of dollars in clearing away slums once they have been created. To aid persons in providing major repairs and alterations of existing housing the Housing Act permits FHA to insure 20-year rehabilitation loans up to $10,000 per dwelling unit.

HOUSING FOR THE ELDERLY

Despite two vetoes specifically objecting to housing for the elderly, the Democratic Congress in 1959 forced through a new program of direct Federal 3⅜-percent interest loans to help build rental housing suited to the needs of the elderly and within their financial reach. The Housing Act of 1961 authorized an additional $75 million for this program, and extended the eligibility requirements to include cooperatives and certain public bodies.

LOW-RENT PUBLIC HOUSING

The Housing Act provided long overdue additional authority for the low-rent housing program—the program aimed directly at our most critical housing needs. The Housing Act of 1961 has revitalized the low-rent housing program by authorizing an additional 100,000 units—enough to meet at least our most pressing needs and permit local authorities to plan ahead.

The act also amends the low-rent housing program to meet the special needs of low-income elderly families where incomes are so low that they threaten the solvency of housing projects. To enable local authorities to take care of these families, the law now authorizes an additional payment of up to $120 a year where this extra help is necessary.

URBAN RENEWAL

Our most direct attack on slums and urban blight is provided by the program of slum clearance and urban renewal created by the Housing Act of 1949. When the new administration took office it found that the $2 billion authorized in previous years had been wholly committed. To replenish the program, the Housing Act authorized an additional $2 billion, an amount estimated to carry the program for the next 4 years.

The act also amended the urban renewal law to give more equitable treatment to small communities and depressed areas. Since these places suffer some disadvantage in meeting their share of urban renewal costs, the 1961 act increased the Federal share from two-thirds to three-fourths for towns and cities up to 50,000 population and depressed areas up to 150,000.

SMALL BUSINESS AND URBAN RENEWAL

The Housing Act also provided some well-justified benefits for small business firms in urban renewal areas who are often hard hit by the process of clearing and rebuilding blighted areas.

To alleviate these hardships the Housing Act provides for 20-year 3⅜-percent loans through the Small Business Administration, to help displaced business firms relocate elsewhere. In addition, displaced business firms will benefit by the elimination of the $3,000 ceiling on Federal payments for moving expenses.

URBAN RENEWAL FOR BUSINESS DEVELOPMENT

The new Housing Act also recognizes the fact that sound rebuilding of our cities requires the elimination of more than just residential blight. Business districts can become sore spots just as well. To meet this need, the Housing Act increased from 20 to 30 percent the proportion of urban renewal grant funds which can be used for nonresidential projects. These projects can be of special benefit to municipalities by increasing manifold the tax returns to the city.

COLLEGE HOUSING

One of our most successful programs in the field of housing is that of low interest, liberal loans to finance needed housing for institutions of higher learning. To help our universities, so vital to the educational and scientific advances on which our Nation's welfare and its very safety are dependent, the Housing Act authorized a total of $1.2 billion for these loans to carry the program for the next 4 years.

COMMUNITY FACILITIES

One of our most pressing national needs, particularly in small communities, is the improvement and expansion of our investments in public facilities to serve all of our people. To provide for these needs the Housing Act of 1961 greatly expanded and liberalized the program of public facility loans. The interest rate on these loans was reduced to approximately 3½ percent. At the same time an additional $450 million was provided for these loans which can be made to any community up to 50,000 population and designated redevelopment areas up to 150,000.

MASS TRANSIT

One of the most serious problems facing our metropolitan centers is that of efficient transportation. City after city is finding that it is choked by traffic. The Housing Act takes a major step toward meeting the transit needs of our urban areas by a provision which authorized $50 million in low-interest loans which can be used by public bodies for the acquisition, construction and improvement of public and/or private transportation facilities and equipment. In addition, the act authorizes $25 million for demonstration grants covering up to two-thirds of project cost for projects designed to explore new and better ways of overcoming mass transit problems.

FHA HOME LOAN INSURANCE

To make the benefits of FHA loan insurance and home ownership available to additional families, the Housing Act liberalizes the terms by reducing minimum downpayment requirements, by increasing the maximum mortgage amount for a single family home from $22,500 to $25,000, and by increasing the maximum maturity for newly built houses from 30 years to 35 years.

OPEN SPACE LAND

There has been growing concern over the fact that the rapid population increase in our towns and cities has led to the virtual disappearance of open space suitable for parks and playgrounds. In order to help communities to preserve some open land, the bill authorizes $50 million for partial Federal grants to acquire open land to be held permanently as park land. These grants can cover up to 20 percent of the cost in the case of individual political subdivisions. However, if the land will serve all or a substantial part of the whole urban area, the Federal share can be increased to 30 percent.

FARM HOUSING

The act recognizes that housing problems in rural areas, while different from those in the cities, are just as serious. In particular, mortgage credit is generally very difficult to obtain. To meet this need, the existing program of direct Federal loans for farm housing is extended for 4 years and an additional $200 million is made available for these loans.

The Housing Act of 1961 represents a tremendous step toward the goal of providing decent housing and a suitable environment for every American.

Rockefeller Seeks to Aid New York Railroads

EXTENSION OF REMARKS
OF
HON. JESSICA McC. WEIS
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Wednesday, September 27, 1961

Mrs. WEIS. Mr. Speaker, the following editorial, "Rocky's Rail Plan Would Help State," appeared on September 13, 1961, in the Rochester (N.Y.) Democrat and Chronicle. I commend it to the attention of the entire House and request that it be included at this point in the RECORD:

ROCKY'S RAIL PLAN WOULD HELP STATE

Governor Rockefeller, who came to Rochester yesterday for a 2-day visit, may go into history as the Governor who did most to save this State's railroads from financial disaster. At stake in this effort are thousands of jobs and millions of dollars in this area alone.

Rockefeller on Monday urged in Washington that a broad Federal program of aid be instituted, starting with repeal of the 10-percent tax on passenger fares. This would be a boost of $200 million alone. More specifically pertinent to the Rochester area, the Governor sought to prevent the New York Central from being frozen out of a proposed merger with the Baltimore & Ohio and the Chesapeake & Ohio Railroads. His urging should be heeded.

As this newspaper has pointed out, the New York Central depends heavily on revenue from carrying trains routed over its rails by the other two lines. But if the two merge without including the New York Central, it will pay the merged lines to keep this traffic on their own rails, cutting heavily into Central revenues.

That could only mean curtailed service in such communities as Rochester to which the Central is vital. This railroad pours more than $8 million into payrolls here and pays taxes of almost a half million dollars a year to the city of Rochester. It is a large factor in support of much industry here and its transportation service is vital to much of the rest.

The Governor is not the first to give verbal recognition to the plight of this State's railroads, but he is the first to move decisively to help them. Through this action, they have been relieved of a growing tax squeeze and have been enabled to obtain rolling stock they could not otherwise get.

All this is in line with his campaign pledge to help provide better climate for industry and with his duty as Governor to help preserve jobs and revenue in the State. With such action, his moves to bolster higher education, reorganize the State government and keep it fiscally sound, Rocky has rolled up an excellent record in his first 3 years. He is a welcome visitor to our city.

Address by the Honorable Douglas Dillon, Secretary of the Treasury, at the Vienna Monetary Meetings

EXTENSION OF REMARKS
OF
HON. ABRAHAM J. MULTER
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Friday, September 22, 1961

Mr. MULTER. Mr. Speaker, the following address was given by the Honorable Douglas Dillon before the annual meetings of the Boards of Governors of the International Bank for Reconstruction and Development and the International Monetary Fund in Vienna on September 20, 1961. I cannot stress too greatly the importance of these meetings to the economic well-being of our Nation and its economic relationship with the rest of the free world.

We have every right to be proud of our distinguished Secretary. His remarks indicate his extensive knowledge of the international situation and how to present the American viewpoint in such a way as to induce the utmost cooperation. His attendance at the formal meetings was only a small part of the tremendous load which he undertook and performed so well. Almost every minute of the day outside of the formal meetings was devoted to meeting with important representatives of the various particiapting countries.

The good will thus created is immeasurable.

The address follows:

First, let me say how delighted I am to be once again in the gracious and storied city of Vienna. Since my last visit a little more than a year ago, I have seen fresh evidences of growth and change—change that reflects the industry, the imagination, and the initiative of the Austrian people. The stability of the Austrian Government in postwar years—the extent of Austria's remarkable economic resurgence—the unswerving devotion of the Austrian people to democratic principles—all are features of modern Austria that command our respect. This small nation—this revered cradle of thought and culture—this courageous outpost on the frontiers of freedom—has aroused the admiration of freemen everywhere. On behalf of my Government—on behalf of the President of the United States, who recalls with pleasure the warm hospitality he received here last June—I wish to say that we consider Vienna to be a most auspicious setting for the important work upon which we are embarked.

During the past year the International Monetary Fund, under the distinguished leadership of Per Jacobsson, has again demonstrated its vital importance to world monetary stability and econommic growth.

The role of the Fund is being further enhanced at this meeting where we have the privilege of welcoming to our deliberations 10 new countries—the largest increase in a single year's operations since the Fund's inception. It is a particular pleasure for me to welcome to our midst our good friends from Cyprus, Laos, Liberia, Nepal, New Zealand, Nigeria, Portugal, Senegal, Sierra Leone, and Togo.

Since we met a year ago in Washington, $2.4 billion has been drawn from the Fund. A major part of that was the recent drawing by the United Kingdom, but 21 other member countries made drawings totaling more than $900 million. There are also 20 standby arrangements in effect, with unused drawing rights totaling $1.2 billion.

Fund assistance in the past year has both strengthened the structure of currency convertibility in the industrialized countries and helped many of the developing countries to adopt or maintain programs of financial and monetary stabilization. The Fund has come to occupy a central position in international monetary affairs—a role I am confident will be of ever-increasing importance to all our member countries in the years ahead.

A few years ago, almost all drawings from the Fund were in dollars. Since the advent of currency convertibility in Western Europe, however, the Fund has made great progress in using a larger number of the currencies it holds, thus increasing the percentage of drawings in currencies other than U.S. dollars. During the past year, 11 different currencies were drawn from the Fund, and two-thirds of the total drawings were in currencies other than the dollar. This is an encouraging development. It has made a reality of the original concept of the Fund as a reserve pool of many currencies for the use of members.

Last year the Fund's advisory activities continued on a broad scale. Wherever member countries have sought to deal effectively with financial instability—by strengthening their fiscal resources, by controlling money and credit, or by otherwise improving their financial institutions—they have been able to rely on the staff of the Fund for expert and objective advice.

The stabilization programs many members of the Fund have worked out and put into operation—usually with Fund advice—have at times been criticized on the ground that they have supposedly imposed a choice between stagnation and economic growth. I do not believe that this is a correct appraisal of the role played by financial stabilization in economic development. I agree with the opinion expressed by Mr. Jacobsson in his brilliant opening statement: that the aim of a well-designed stabilization program is to eliminate inflation, not only as a source of balance of payments disequilib-

rium, but also as an obstacle to economic growth. Financial stability can thus assist economic growth which, together with social progress, must be the major objective of development policy.

Of course, financial stability cannot of itself cure all the problems of economic growth that beset the developing countries. Effective development planning, basic internal reforms, and adequate capital from both external and internal sources—all are necessary. This is well recognized by the Fund, which is, as it should be, the partner of economic development institutions, national and international, in coordinated efforts to increase the flow of external assistance and to help the developing countries make the best use of their own domestic resources.

I turn now to the economy of the United States and the status of our international balance of payments.

The recovery of the U.S. economy, following the mildest of our postwar recessions, is well underway and moving strongly. The low point in economic activity was reached in the first quarter of this year. In the second quarter, major economic indicators recorded new highs. Gross national product, personal income, and personal consumption expenditures all reached fresh peaks in the April–June period. Total industrial production recorded a new high in July and again in August. We estimate that gross national product—which jumped from an annual rate of just over $500 billion at the beginning of the year to $516 billion in the second quarter—will reach approximately $540 billion during the fourth quarter. The course of our economic recovery has been particularly encouraging since prices have remained stable. Hence, almost the entire rise in our gross national product has been real. Moreover, our increased economic activity has not been accompanied by speculative buying or abnormal buildup of inventories.

During the past year the monetary and fiscal policies of the United States have been directed at limiting the extent of the decline in economic activity and at strengthening the forces of recovery. Prompt recognition by our monetary authorities of the impending downturn brought a quick shift of policy from monetary restraint to ease. As early as June of last year, the Federal Reserve relaxed credit restrictions by reducing discount rates and lowering the reserve requirements of commercial banks. Federal Reserve purchases of Government securities provided additional bank reserves to combat recession and finance expansion. Reflecting this Federal Reserve policy, total loans and investments of commercial banks have expanded by 7 percent, or $14 billion, during the past 12 months. This large increase provided a major force which softened the strains of recession and stimulated recovery.

On the fiscal side, increased unemployment benefits and other Government outlays associated with the recession—in conjunction with reduced income tax collections—have operated as in previous recessions to provide an automatic supporting influence. Largely as a result of these built-in stabilizers the total value of all goods and services produced during the economic downturn never fell appreciably below the corresponding quarter of the previous year.

As I noted earlier, we are especially encouraged that our recovery and our attainment of record new levels of production have been accompanied by price stability. Our index of wholesale prices has remained for 3 years at virtually the same level. Retail commodity prices have been stable while the overall index of consumer prices has increased by less than 1 percent since last October.

The business outlook for the United States during the coming year is very promising. Excessive stocks have been liquidated. As a result of rising production and sales, inventories have once more begun to increase moderately but they are not high in relation to either present or prospective needs. Consumers have reduced their debt and built up their savings, thus strengthening the outlook for retail trade. Net financial savings of individuals rose by $7.7 billion in the first half of 1961 on top of a $10 billion rise in 1960. In contrast to 1958–59, interest rates have remained remarkably constant during the initial recovery period.

We anticipate further vigorous growth. The substantial room in our economy for further expansion should avert any inflationary pressures that might otherwise develop. For we have no shortage of productive resources, nearly all of our industries are operating well below capacity, and the labor supply is ample. Continued rises in output should materially assist us in solving the persisting problem of relatively high unemployment. Nevertheless, we are developing worker retraining programs designed to attack this problem directly.

Federal budget expenditures remain well within our capacity. In fact, the deficit for fiscal year 1961 and the projected deficit for 1962 are together much smaller than the deficits during the last comparable recession and recovery in 1958–59. After taking into account all presently scheduled expenditures, including the substantially increased outlays for defense requested by President Kennedy in July, our estimates point to a deficit this year (fiscal 1962) that will amount to about half the deficit for fiscal 1959. In addition, our gross national product will run some 17 percent higher than in fiscal year 1959, and our tax revenues will be about 21 percent greater. Hence, the economic impact of the current deficit will be considerably less than half that of the 1959 deficit.

The deficits in fiscal 1961 and 1962 are essentially a reflection of the short fall of revenues resulting from the recent recession. This is a characteristic of our tax system, because it is heavily dependent upon direct taxation of personal and business income. For the same reason we may expect sharp increases in revenues as business improves and the economy grows. The calendar year 1962 gives every promise of being a very good year for business, and since our revenues are based upon earnings of the previous year, we can confidently look forward to a substantial increase in our income during the fiscal year 1963, which begins next July 1. Fiscal 1963 will be closely comparable in the business cycle to fiscal 1960, when Federal revenues jumped $10 billion over the preceding year. Hence, unless a need arises for further increases in defense outlays, the balanced budget which President Kennedy is determined to submit next January can be achieved without any increase in taxes. However, should additional defense expenditures become necessary, the President has stated clearly and unequivocally that he is prepared to request additional taxes should they be required to balance the budget.

I would like to emphasize the firmness of our decision to balance our budget in fiscal 1963. Indeed, had it not been for the increase in international tensions over Berlin, which forced us to increase our defense expenditures substantially above the levels previously planned, we could have looked forward confidently to a substantial budgetary surplus in fiscal 1963. We are resolute in our determination to maintain both a sound and an expanding economy so that the United States may play its full part in the defense and the development of the free world and, at the same time, meet the requirements of an increasing population at home.

I am glad to be able to report that the U.S. balance of payments has developed in a much more satisfactory manner this year than in 1960. The marked improvement in our merchandise account during 1960 continued into 1961 and the large speculative outflows of short-term capital, which swelled the volume of our outpayments in the second half of 1960, have ceased. Our merchandise trade surplus in 1960 amounted to $4.7 billion, whereas in 1959 it had been less than $1 billion. In the first half of 1961 our trade surplus was running at a seasonally adjusted annual rate of $6 billion.

These developments are reflected both in our "basic" position (comprising all of our recorded transactions exclusive of U.S. private short-term capital outflow) and in our overall payments position. In 1960 the basic deficit amounted to $1.9 billion, compared with $4.3 billion in 1959 and $3.6 billion in 1958. In the first half of 1961, the basic position continued the substantial improvement shown in 1960 and, without counting special prepayments of $650 million on U.S. Government loans, was almost exactly in balance.

Our overall deficit, which is measured by decreases in U.S. holdings of gold and convertible currencies plus increases in foreign liquid holdings of U.S. dollars—which together amounted to about $4 billion in both 1959 and 1960—was running at a seasonally adjusted annual rate somewhat under $1.7 billion in the first half of 1961. The figure of $1.7 billion also does not count as a receipt the special debt prepayments of $650 million. While this indicates the continuation of substantial short-term capital outflows, these movements have represented, for the most part, a substantial enlargement of the financing of world trade by U.S. banking institutions and have not been speculative in character.

These are encouraging developments. But they do not mean that the United States can relax its efforts to achieve a satisfactory and durable equilibrium in its balance of payments. We must have a large and growing export surplus of goods and services to pay for military expenditures abroad which we incur for the defense of the free world. We must have it for both that portion of our foreign aid program that is not covered by procurement in the United States and for our continuing large outflow of long-term private development capital.

The improvement in our trade surplus so far this year cannot be expected to continue in the months ahead, since it was accomplished more through a decrease in imports than through an increase in exports. And now, as the U.S. economy moves toward reasonably full employment of resources, we must look to a corresponding expansion of our imports. Indeed, they have already started to grow. While this tends to sharpen our payments problem, it also leads to larger world trade and greater prosperity for our trading partners.

Accordingly, we must continue to make intensive efforts to expand our exports. This means for us, as it does for any nation, that we must constantly improve the productivity on which the ability of our producers to compete in world markets is based. It also requires that we prevent increases in money costs from canceling out improvements in productivity. At the same time, our producers must search out export opportunities with energy and imagination. The domestic market of the United States is a very large one and many of our producers have traditionally thought almost exclusively in terms of that market, rather than of opportunities overseas. We believe this orientation can and must be shifted, for there are surely thousands of our producers who can be more successful in the export field than they have been in the past. It is for this reason that our Government is devoting considerable effort to bringing market opportunities abroad to the attention of our business community.

We are well aware that the position of the dollar as a strong reserve currency depends upon our success in maintaining a reasonable equilibrium over the years in our balance of payments. This we are determined to do. As we succeed, the upward trend in the accumulation of gold and dollars by other countries taken together will necessarily be slowed. The elimination of current payments imbalances can, of course, be greatly facilitated by the cooperation of surplus countries in pursuing liberal trade policies, in increasing long-term development assistance, and in sharing expenditures for the common defense in accordance with their capabilities.

During the past year, as Mr. Jacobsson has reminded us, there has been active discussion and examination in governmental circles, among economists, and in the financial press, of the adequacy of existing international monetary arrangements. These discussions have been very helpful. Mr. Jacobsson has now proposed that each of the principal industrial countries commit itself to lend its currency to the Fund up to a stated amount. I strongly agree that an arrangement of this sort should be worked out to insure the Fund access to the additional amounts that would be needed should balance-of-payments pressures involving these countries ever impair or threaten to impair the smooth functioning of the world payments system.

At the same time, for its regular requirements, the Fund can, and should be expected to, borrow from one or another of the participating countries under article VII whenever its supply of any of these particular currencies becomes low. It would also appear reasonable to consider the possibility that such loans be credited against any commitment which the lending country may have undertaken as its part of the multilateral arrangement. These special bilateral borrowings would thus replenish the Fund's supply of particular currencies in strong demand and, in this way, would help to avoid undue drains on its gold reserve.

I have no fixed opinions on the details of the multilateral borrowing arrangement. I am confident—on the basis of the encouraging views I have heard expressed in the past few days—that practical means can be found to give effect to the agreement in principle which so evidently exists. There are four important aspects which I do wish to emphasize:

First, the aggregate amount the participating countries should look forward to committing to the project should be large enough to add decisively to the Fund's capacity to play its essential role.

Second, to be effective, the additional resources must be promptly available in case of need.

Third, safeguards will be required to insure that there will be effective consultation between the Fund and the lenders, and that the Fund will only actually borrow under the commitment arrangements after taking full account of the current reserve position of the lending country. In addition, each country which actually lends to the Fund should, in case the need develops, be able automatically to obtain repayment from the Fund.

Fourth, I concur in Mr. Jacobsson's judgment that there must be no weakening of the policies that have guided the Fund in the use of its resources; nor should the new arrangements change in any way the existing rights and duties of members of the Fund, both as drawers of currencies and as providers of currencies.

This is an important project. The Fund should push ahead promptly in its current consultations with the prospective lending countries in order that the Executive Board may carry the project to completion so that the participating countries may obtain the necessary legislative authority from their Parliaments early next year. With this done, the monetary system of the free world will be substantially strengthened. For the Fund will then clearly be in a position to meet the changing needs of the new world of convertible currencies.

Speaking for my country, I want to say that the United States regards the work in which we are engaged here in Vienna as having a direct and important bearing upon the future course of free world growth and progress. I have confidence in the ultimate outcome of our deliberations because I have confidence in the vitality of the free economies upon which the work of the Fund is founded. Our mutual goal is a world of expanding opportunities for every human being to pursue his legitimate aspirations in peace and freedom. The International Monetary Fund is playing an important role in helping us to achieve it.

Depressed Area Deceit

EXTENSION OF REMARKS
OF
HON. STEVEN B. DEROUNIAN
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Wednesday, September 27, 1961

Mr. DEROUNIAN. Mr. Speaker, when the New Frontier proposed the depressed areas bill earlier in the year, those of us who voted against it described it not only as a waste of taxpayers' money, but a cruel hoax to the depressed areas themselves. The following article in a recent issue of the New York Herald Tribune by Joseph R. Slevin, national economics editor, verifies what the opponents of this agrarian reformer vehicle predicted would happen.

DEPRESSED AREAS' RELIEF DEPRESSED
(By Joseph R. Slevin)

WASHINGTON.—The highly touted depressed areas program has made a slow break from the starting gate.

President Kennedy put the aid program near the top of his campaign list of measures to "get the country moving again," but the Government won't make its first industrial assistance loan until next week.

Many reasons advanced for the program's disappointing lack of early foot but administration officials are inclined to blame a congressional requirement that no community can get an industrial loan until it prepares—and wins Federal approval of—an elaborate overall economic development program.

Mr. Kennedy signed the depressed areas program into law May 1. It's being run by the new Area Redevelopment Agency in the Commerce Department.

THREE HUNDRED AND SEVENTY-FIVE MILLION DOLLARS ON TAP

The program is supposed to help hard-hit communities attract job-creating industries. Congress authorized $200 million of Federal loans for commercial and industrial facilities and $175 million of loans and grants for such public projects as sewers, that a community needs to service new industries.

The ARA has cleared two public projects.

Gassville, Ark., received a $160,000 loan and grant for a water system that it needs to attract a new firm. Cambridge, Md., obtained a $213,000 loan and grant for a sewage system that will bring in a new food processing plant and will make it possible for a publishing company to expand.

One of the early difficulties has been a widespread lack of understanding of the kind of help the ARA can supply. An Agency spokesman said that ARA probably has received one impracticable inquiry for every workable plan that has been laid before it.

The most outlandish proposal came from a community that wanted ARA money to build a jail. Others have requested funds for libraries, hospitals, and similar worthy but ineligible public facilities.

ONLY 31 PROMISING

The ARA has only 31 loan and grant applications that it considers promising.

If they are approved and are carried out, they will provide a meager 10,942 jobs.

Eighteen applicants want $6,500,000 of loans and grants—but chiefly grants—to build public facilities. Two proposals call for tourist and recreation facilities, while the remaining 16 are for water, sewer, and other utilities.

Thirteen communities are seeking industrial loans. They want $20 million from the ARA and are planning to put up $132 million of private, local, and State money.

The projects include an aluminum reduction mill on the Kentucky-West Virginia border, a steel mill, a furniture factory, a woodworking plant, two canneries, a papermill, a metal processing plant, a small metal parts factory, and a peat moss processor.

The depressed area program was expected to be particularly helpful to Pennsylvania and West Virginia coal towns, New England textile communities, and a scattering of steel and automobile towns in Pennsylvania, Ohio, Michigan, and Illinois.

But no Pennsylvania town has asked for an industrial loan. The best guess of Washington officials is that they prefer borrowing from the Pennsylvania Industrial Development Administration. It lends money at 2 percent, while the ARA charges 4 percent.

The aluminum plant is one of five West Virginia industrial applications.

Goals of the New Frontier: Area Redevelopment

EXTENSION OF REMARKS
OF
HON. WINFIELD K. DENTON
OF INDIANA
IN THE HOUSE OF REPRESENTATIVES
Wednesday, September 27, 1961

Mr. DENTON. Mr. Speaker, one of the major problems confronting this Nation of ours at the time of the 1960 presidential election was that of the so-called depressed or distressed areas. This is still a problem today. But what I would like to point out at this time is the fact that since the election there has been a great deal of progress made in the solving of many of the problems associated with the chronic and persistent unemployment which exists in these areas.

I think we all know the definition of a "depressed or distressed area." It is one where there has been serious unemployment which has existed for a considerable length of time. This unemployment has been caused by several factors, singly, or working in concert. These have included: technological changes; migration of industry; changes in demands for products; protracted seasonal unemployment, and depletion of resources. My hometown of Evansville, Ind., has been hard hit for several years by unemployment. The percentage of

unemployment there has been consistently over the 6-percent mark most of the time. In many other parts of the country similar conditions have existed. In February of this year the figure was 7.9 percent in the city of Evansville.

At the beginning of 1960, the figure was 8.5 percent. At the present time, the percentage of unemployed is now down to 6.5 percent. This is still far from what we would like to see. But it is some improvement. Under the area redevelopment program, passed by a Democratic Congress during this Democratic administration, we hope that we can get that figure much lower.

The unemployment situation in Evansville has been repeated time and time again all over the country. The Chrysler plant there was closed down, and the operations there, bodybuilding and assembly, were moved to St. Louis. Servel, Inc., makers of refrigerators, discontinued their operations in Evansville. Several other concerns in the community also closed up their operations there. To combat this, the people of the city and its outlying area raised $1 million to help attract new industries to the area; $300,000 was raised to help small business in the city. The people of this city did just about all that they were able to do to combat the unemployment. The assistance of the Federal Government was clearly necessary, if they were to ever really rise above the tremendous economic problems that continually pressed in about them. This same situation has been true in the eastern part of my district—the Greater Louisville area. In this area are the cities of Jeffersonville, in Clark County, and New Albany, in Floyd County.

For some years, I have been greatly concerned over this situation, not just as it applies to the Eighth Congressional District of Indiana, but to other areas of the country likewise. I am proud to say that I introduced one of the very first so-called depressed areas bills. During the 85th and 86th Congresses, we Democrats passed such legislation, only to have it fall under the veto of the Republican occupant of the White House. The story changed during this Congress as the Democrats with effective leadership from President Kennedy, passed the Area Redevelopment Act of 1961. When the President signed the legislation on May 1 of this year, he commented:

> In this free society we want to make it possible for everyone to find a job who wants to work and support their families, and this bill is an important step in that direction.

Under the provisions of the Area Redevelopment Act, the Federal Government is able to go into these areas of chronic and persistent unemployment and assist State and local leaders to attract new industries; to help in the improvement of needed public facilities; and provide assistance to those workers displaced by the migration of industries from their areas through job retraining. This will enable them to be qualified for new jobs which may become available in their communities. All this will be a big boost to these distressed areas.

Under the act, $300 million is provided in revolving loan funds—$100 million for industrial and commercial loans in urban areas, $100 million for similar loans in rural areas, and $100 million for loans for public facilities. For fiscal 1962, Congress appropriated a total of $122,500,000 for these loans. In addition, Congress appropriated $40 million for the current fiscal year for public facility grants, $3,325,000 for technical assistance, and $4,875,000 for operating expenses. To date, the Area Redevelopment Administration has designated 663 areas—covering some 863 counties or parts of counties—as eligible for assistance under the terms of the act. They have been so designated because of high unemployment or underemployment or because of low farm income or family income. The Department of Labor has certified some 120 additional areas as surplus small labor markets, enabling them to be eligible for assistance under the program as soon as they are officially termed "redevelopment areas" by the Area Redevelopment Administration in the Department of Commerce. More areas are in the process of being designated as the Labor Department continues to make studies as to their economic situation.

Mr. Speaker, there has not been sufficient time since the enactment of the Area Redevelopment Act to be able to predict just how much better off these economically distressed areas—both urban and rural—will be under the program. But I do know that we are making progress in the right direction. That direction is the helping of such areas to assist themselves to bring in new industries through a study of their economic capabilities, through improvement in their community facilities which will be used by such industries, by assistance in the retraining of the area's workers, and by the bringing to these communities and rural areas a sense of hope and direction which many of them have been lacking for years. Through this legislation, we can help dispell much of the fog of discouragement and frustration which has arisen out of the lack of economic growth.

The area redevelopment program involves a new partnership made up of the Federal Government's agencies which have a direct interest in these areas. These include the Department of Agriculture, the Department of the Interior, the Department of Labor, the Department of Health, Education, and Welfare, the Housing and Home Finance Agency, and the Small Business Administration. The Congress directed all these agencies to coordinate their activities toward the effective carrying out of the mandate of the act. That mandate is the return of economic growth and prosperity, and along with it, a return of human dignity and hope to the people and the communities and farm areas suffering from the hardships of industrial relocation and economic recession. Under the previous administration, little if anything was done to assist these areas and their people. The Democratic Party has always been dedicated to the welfare and human dignity of the American people. The area redevelopment program, enacted by this Congress, is a significant example of that doctrine.

The first two projects under the act have been approved. One is the $160,000 loan and grant for a water system which was needed in order to help a new firm locate in the community of Gassville, Ark. This will provide 1,000 permanent new jobs initially for workers in a four-county redevelopment area. The other project is that of Cambridge, Md. Here, a $213,300 loan and grant for a sewerage system will result in bringing in one new industry and expansion of an already existing firm. The result here will be 875 permanent new jobs initially. There are other projects in the process of being approved now by the Redevelopment Administration. This is a sample of the assistance that will be afforded eligible areas. This is a sample of the type of human and community assistance which the Democratic Party believes in. Helping people to help themselves.

Much has been written and spoken on the subject of the depressed areas of the country. Heavy unemployment existed. Some still does. Hope dwindled as local and State resources were unable to cope with the problem. These areas have a right to share the economic growth that the rest of the country is experiencing. Their people have a right to hope and jobs. Their children have a right to the kind of education and opportunities which economic progress will help bring to these areas, just as they have to the guarantees spelled out in our Constitution. This program is a step in the right direction. It is still a relatively small step, but it will go a long way in restoring the confidence of these peoples in their communities, their local way of life, and in themselves.

The Responsibility of the Neutral Nations

EXTENSION OF REMARKS
OF
HON. KENNETH B. KEATING
OF NEW YORK
IN THE SENATE OF THE UNITED STATES
Wednesday, September 27, 1961

Mr. KEATING. Mr. President, the distinguished president of the Mutual Broadcasting System, Robert F. Hurleigh, has presented some exceptionally well reasoned views on the responsibilities of the neutral-bloc nations to the United Nations. His comments in a recent editorial broadcast by the Mutual Radio Network express the hope that the so-called nonalined nations will exercise discretion in world affairs in the days ahead.

No group has more at stake in the survival of the United Nations than the smaller, neutral nations. Alone they cannot stand against the tyranny of the Communists. Neutrality is the right to be unalined, but it is not the right to be irresponsible.

Mr. Hurleigh's remarks deserve wide attention, and I therefore ask unanimous consent to have printed in the

Appendix of the RECORD the editorial on the Mutual Radio Network for September 21, 1961.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

Call them neutrals; call them nonalined; call them the Afro-Asian bloc; call them what you will. From India to Upper Volta they have cried for recognition. They have asked to have a voice in world affairs. But with a voice, they must realize, comes responsibility.

Far more than we, they need the United Nations. It is the forum that gives them the voice. Without it, most of the world's problems would end in bilateral talks between the United States and the Soviet Union.

It is in the General Assembly, where the Upper Voltas have an equal voice with the Big Two, that these nations get their recognition.

If the United Nations is not to become a memory of the past, crushed under the same Red heel that stamped out hope in Hungary, then these nations—the Indias, the Voltas, the Indonesias, and the rest—must make those votes mean something and use them to see that a Secretary General is appointed.

The General Assembly, by a two-thirds vote, can select a temporary Secretary General. These nations have the votes to make it come to pass. If they use them wisely and well, they will show that they have a right to be heard in the council of nations.

Sacrifice

EXTENSION OF REMARKS
OF
HON. STEVEN B. DEROUNIAN
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 27, 1961

Mr. DEROUNIAN. Mr. Speaker, our President has often told us of the need to sacrifice. The following two articles from the New York Times and the New York Herald Tribune point out how the White House is the lending example of doing without the frills. After all, $12,500 was used to paper a whole room. But the American people should not be surprised by this exhibition of a sense of values. Several months ago the White House had ordered fancy carpeting from France; when the story leaked out, Mr. Salinger denied the story and then suddenly the nonexistent order was canceled.

Those in the depressed areas of this country, for whom our President's heart bleeds so profusely, will be happy, I am sure, to read of another example of White House austerity.

The articles follow:

[From the New York Times]

DESIGNER'S VIEWS IRK WHITE HOUSE

RICHMOND, VA.—The White House has expressed annoyance over an interior decorator's criticism of the $12,500 wallpaper project in its diplomatic reception room.

Mrs. John F. Kennedy's press secretary, Miss Pamela Turnure, telephoned the American Institute of Interior Designers in New York to "voice our displeasure" at the remarks of the institute's president, Milton Glaser of Richmond.

Mr. Glaser was quoted October 1 in the Richmond Times-Dispatch as saying "somebody got stuck" when $12,500 was paid for the antique wallpaper installed in the White House room.

The wallpaper was removed from the Maryland home by Peter Hill of Washington. He paid $50 for it.

The wallpaper is Zuber's "Scenic America." It was removed from the walls of an old home in Maryland for transfer to the White House. The $12,500 bill was accepted by the National Society of Interior Designers.

Miss Turnure complained to the institute over what she termed "the lack of dignity" of the newspaper article and the "undignified situation" it created for the White House.

RETRACTION IS ASKED

The Times-Dispatch said it was told last night that she had informed the institute that unless Mr. Glaser retracted his remarks, the White House would withdraw its publicity support from a downstairs library the institute is redecorating at the Presidential home.

Miss Turnure said today in Washington she would have "no comment" on the statement attributed to Mr. Glaser that the White House threatened to withdraw publicity from the institute project.

The White House previously had announced that the institute was redecorating the ground-floor library of the executive mansion as a gift. Their project includes, Miss Turnure said, generally redesigning and repainting the room, and installing a new carved wooden mantle that came from a house in Salem, Mass.

Mr. Glaser was quoted in the October 1 article as saying:

"Why on earth did they go to all the trouble of scraping it [the wallpaper] off those old walls when new paper is available from the same blocks?

"It doesn't make any sense to me. I don't know how faded the paper is. But some people like old broken things because they are old and broken down. Maybe Mrs. Kennedy is one of them."

Yesterday, after talking with the institute's public relations headquarters in New York, Mr. Glaser modified his attitude.

"Hours of painstaking care must be taken to remove antique paper from old plaster walls," the institute president said.

"Often the paper will begin to disintegrate, making it necessary to transplant fragments, piece by piece, onto a cloth backing.

"It is highly intricate and delicate business. Anyone willing to contribute this amount of time and expense is to be commended."

[From the New York Herald Tribune]

WHITE HOUSE WALLPAPER RAISES STICKY SITUATION

(By David Wise)

WASHINGTON.—Was the White House stuck for $12,500 in antique wallpaper installed in the diplomatic reception room last week?

"Somebody was stuck," snapped Milton Glaser, president of the American Institute of Interior Designers.

"Undignified," a spokesman for Mrs. John F. Kennedy said of Mr. Glaser's remark.

The only person, in fact, who was saying absolutely nothing at all was Peter Hill, a Washington resident who bought the wallpaper for $50 just before a wrecking crew could demolish the walls of an old house in nearby Thurmont, Md., scraped the wallpaper off with a putty knife and a razor blade, and sold it to the National Society of Interior Designers for $12,500, which presented it to the White House for nothing.

Mr. Hill, who made a $12,450 paper profit, so to speak, was staying out of the whole sticky situation.

What may become known as the Great White House Wallpaper Flap of 1961 began October 1 when Mr. Glaser, head of the American Institute of Interior Designers (hereinafter referred to as the AID and not to be confused with the NSID, which donated the wallpaper) was interviewed by the Richmond Times-Dispatch.

"Somebody got stuck," Mr. Glaser was quoted as saying. "Why on earth did they go to all the trouble of scraping it off those old walls when new paper is available from the same blocks? It doesn't make any sense to me. I don't know how faded the paper is. But some people like old broken things because they are old and broken down. Maybe Mrs. Kennedy is one of them."

The wallpaper in question, manufactured by Jean Zuber, of Rixheim, Alsace, France, about 1834, depicts scenes of early America, including a view of New York City from Weehawken, the parade grounds at West Point, Boston Harbor, the Natural Bridge of Virginia, and Niagara Falls. There are lots of Indians in the panel, titled "Scenic America."

Anyway, to get back to the story, Miss Pamela Turnure, Mrs. Kennedy's press secretary, was leafing through some newspaper clippings Thursday when she came across Mr. Glasser's comments. Miss Turnure, a lovely young lady who seldom gets angry, got very angry indeed.

She called the AID to "voice our displeasure" at Mr. Glasser's remarks. "I just called up to express our displeasure and disapproval," Miss Turnure said yesterday. "I said we were working with them on another project, and it was highly inappropriate for them to comment. It was very undignified."

REDECORATION IS GIFT

The AID, Miss Turnure explained, is redecorating the ground floor library of the White House as a gift. The work includes repainting the room, installing an antique carved wooden mantle, and some period furniture.

However, Miss Turnure flatly denied a report in the Richmond paper that she had told the AID the White House would refuse to publicize the library project unless Mr. Glasser retracted his remarks. "That is not correct," she said.

She said it is true that the Zuber firm is still manufacturing the wallpaper from the same wooden blocks, but she said that from an art historian's viewpoint, the age of the paper and its quality is related to its worth.

As for Mr. Hill, wisely staying out of the whole thing, he is said to have discovered the paper in the home of Mrs. William J. Stoner, a Thurmont widow. He purchased the paper from the wreckers for $50, and they gave him a week's time to get the stuff off the walls. The house has since been demolished.

Mr. Hill, a lay preacher, tucked away his putty knife, brought his wallpaper to the White House, and laid it out—in 32 strips—on the floor of the office of Mrs. John Pearce, White House curator. Mrs. Kennedy came down to see it. She liked it so much that she wrote to the NSID and asked if the society would like to donate the paper to the White House. The NSID bought the paper from Mr. Hill and papered the reception room with it.

That's all there is to it, except for the fact that Mr. Glasser, after consulting with the NSID's press agent in New York, did not stay glued to his original statement. He issued a new statement yesterday, in which he said:

"Hours of painstaking care must be taken to remove antique paper from old plaster walls * * *. It is a highly intricate and delicate business. Anyone willing to contribute this amount of time and expense is to be commended."

Radio and Television Licenses

EXTENSION OF REMARKS
OF
HON. ESTES KEFAUVER
OF TENNESSEE
IN THE SENATE OF THE UNITED STATES

Wednesday, September 27, 1961

Mr. KEFAUVER. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD a statement prepared by me.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR ESTES KEFAUVER

In a speech in the Senate several days ago, the senior Senator from Wyoming raised a fundamental question of public policy: Should large corporations doing a considerable amount of business with the Government be licensed to operate radio and television stations?

The Senator from Wyoming raised another question of public policy related specifically to the radio and TV licenses held by two such corporations, General Electric and Westinghouse: Should these two companies be entitled to retain their licenses, having been the principal defendants convicted in the recent electrical conspiracy cases at Philadelphia?

As chairman of the Senate Antitrust and Monopoly Subcommittee, I have had the opportunity to examine at close hand some of the management failures that led to the involvement of GE and Westinghouse in these conspiracies. We discovered that these cases simply dramatized what had been a way of life in the electrical manufacturing industry for decades. The companies involved, notably GE and Westinghouse, had been flagrantly disregarding the antitrust laws for years and getting away with it.

It was therefore most distressing to me to read published reports that some members of the Federal Communications Commission are now prepared to vote for renewal of the radio and TV licenses of GE and Westinghouse without a careful hearing.

Accordingly, on September 20, 1961, I sent a telegram to the Chairman of the FCC, the Honorable Newton N. Minow, urging a full public review of this matter before the FCC votes on renewal. Mr. Minow replied by letter the following day that my telegram would be brought to the attention of the full Commission and that no decision on the question of renewing the GE and Westinghouse licenses had been made to that time.

I have since been advised that the FCC can be expected to act before the middle of November.

In my opinion, the FCC will be failing its public trust if it renews the GE and Westinghouse licenses without a public hearing. The public has a right to know whether the same corporate attitude which led Westinghouse and GE to flout the antitrust laws carries over into their operation of radio and television stations—channels of communications which are themselves a public trust.

Some reflection of this attitude was made plain in the comment on a recent "Meet the Press" program by Attorney General Robert F. Kennedy:

"We have found in going through past cases that there have been antitrust violations by companies continuously. That there is a fine paid and the practice continues. For instance, in General Electric there must have been dozens of violations of the antitrust laws over a period of years. It didn't have any effect on them."

I can imagine the public outcry that would ensue if a radio or television license were renewed without a hearing for an individual who had been fined several thousand dollars and sentenced to jail for 30 days, as some of the executives of GE and Westinghouse were. Even if the individuals had been convicted only once there would doubtless be protests. But here we have the word of the Attorney General of the United States that GE has been involved in dozens of violations and that "It didn't have any effect on them."

And what of the objectivity in molding public opinion of a large corporation which depends heavily upon the Government for business? According to the official announcements of the Department of Defense for the 100 companies doing the most business with that Department from July 1950, through December 1957, Westinghouse ranked 19th with a total of $1,555,600,000. In 1960, Westinghouse bettered this by jumping to the rank of 16th among defense contractors with a total business in that year alone of $257,600,000.

In the public hearing that I urge the FCC to hold on the proposed renewals of GE and Westinghouse licenses, the FCC certainly should go into the question of whether these stations gave uninhibited coverage in their news programs to the involvement by GE and Westinghouse in the electrical conspiracy, to our subcommittee's investigation of this matter, and to other, related matters.

I do not know whether such full coverage was given; but in all fairness—not only to the public but to the stations themselves—this question should be fully and publicly explored.

While the FCC is about it, it might apply the same test to the coverage given over GE and Westinghouse stations of other public policy questions in which these companies—as electrical manufacturers—have been directly involved in the period covered by the Philadelphia indictments.

For example, how did the stations owned by these companies deal with an important controversy in 1959 in which GE and Westinghouse were involved with the Tennessee Valley Authority over the purchase by TVA of a 500,000-kilowatt turbogenerator for one of its steamplants in Alabama? The GE and Westinghouse bids were virtually identical and very high—around $17 million. A British firm, C. A. Parsons Co., Ltd., bid low—around $12 million. The TVA awarded the contract to the British company, and immediately GE and Westinghouse began a campaign to mold public opinion on their side and to pressure the Government into awarding one of them the contract.

Were GE and Westinghouse TV and radio stations used as outlets for this effort to mold opinion to one point of view?

And how are GE and Westinghouse radio and TV stations treating on their news programs today the news about the mass of damage suits brought against these companies as a result of the Philadelphia convictions? Indeed, what will these stations report about this very statement being placed in the CONGRESSIONAL RECORD?

The RECORD is full of newsworthy matters in which GE and Westinghouse have been involved during the years; congressional committee hearings in which GE and Westinghouse, together with other basic suppliers, were accused of discriminating against rural electric cooperatives in the delivery of scarce equipment; and in which GE has been accused of shortening the life while increasing the prices of electric bulbs. Details of these and many more involvements are available and should be looked into by the FCC.

It is my understanding that, in support of their current applications for radio and television license renewals, GE and Westinghouse have submitted to the FCC general information about the news coverage their stations have given to controversial matters involving these two companies.

While this self-serving material is available to public inspection, the public looks to the FCC to scrutinize it as the FCC is equipped to do and to judge whether GE and Westinghouse stations are dealing objectively with unfriendly news.

This can be done satisfactorily only through public hearings. I urge the FCC to hold such hearings.

Taras Shevchenko: Ukrainian Poet-Hero

EXTENSION OF REMARKS
OF
HON. MICHAEL A. FEIGHAN
OF OHIO
IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 27, 1961

Mr. FEIGHAN. Mr. Speaker, under leave previously obtained, I insert in the RECORD an address I delivered on March 19 at the Cleveland Public Auditorium at commemoration ceremonies upon the 100th anniversary of the death of the Ukrainian poet-hero, Taras Shevchenko:

Taras Shevchenko, national poet-hero for generations of Ukrainians, was born in serfdom, orphaned at a tender age, labored for heartless taskmasters, won literacy by hard sacrifice, sketched the spirit of his countrymen with pen and brush, offended the crude feelings of Czar Nicholas I, was exiled to military servitude for 10 years, was denied the right to spend his last years in his native land, died at the age of 47 years but his mortal remains were put to rest in the soil of his beloved Ukraine.

This, in brief, is the sketch of a man whose spirit has been a source of lasting inspiration to the people of a nation long submerged by Russian imperialism.

That spirit which so well characterizes the history of Ukraine will be memorialized here in the United States through the erection of a statue of Taras Shevchenko in our Nation's Capital.

This year marks the 100th anniversary of the death of Taras Shevchenko.

The passing of those years in a century has brought events which have earned due and proper recognition for this remarkable man.

In his time he won warm appreciation from his countrymen who saw in him and his works the courageous voice of their long-held national aspirations.

His enemies, the Russian autocrats, viewed his artistic expressions with contempt, but their fears of his influence in awakening and stimulating the national consciousness of the Ukrainian nation brought him years of political exile and banishment from the land of his birth.

But exile, banishment, cruel deprivation, and the tyrants whip cannot stamp out ideas and ideals which spring from the inspired spirit.

During the century since his death the cause of the Ukrainian nation has become known to those who love liberty and freedom in many distant lands.

The first half of the 20th century has been filled with great human pathos and far-reaching changes in the affairs of nations.

Wars and revolutions have toppled kings, monarchs, and czars, dismembered empires, and liberated long-suffering peoples and submerged nations.

In these circumstances the old chains which enslaved the people of Ukraine were

broken, the golden age of independence which filled the dreams of Shevchenko, was realized.

With the collapse of the empire of the Russian czars in 1917, an independent Ukraine emerged from the ashes of corruption and despotism.

The strivings of a people rich in heritage, and proven worthy in the test of sacrifice, had been fulfilled.

Joined by the people of other nations long submerged by the tyranny of the Muscovites, success for the long awaited era of national independence seemed assured.

Russian imperial power had been broken.

A spirit of national revival moved the people of Ukraine and the other non-Russian peoples from the Baltic to the Caspian Seas.

But this golden era of liberty, freedom and national independence was short lived.

A new despotism had seized control at the former seat of imperial Russian power.

Western in its origin, but Moscovitic in its applicaiton, this new tyranny soon put new chains of serfdom upon the Ukrainian nation, constraining her national development, thwarting her cultural revival and preventing her from taking a rightful place in the community of free nations.

This episode in history finds some parallel in the life and times of Shevchenko.

After 10 years of exile in military servitude where his health was broken, Shevchenko was allowed to return to Petrograd.

Expecting to return to his beloved Ukraine and there to carry on his work of national emancipation he soon learned that the personal decision of Czar Nicholas I, restricted his movements and forbade even short visits to the land of his birth.

Thus, Shevchenko with high spirits upon his release from the outposts of the empire, soon found that the same tyranny of spirit was exercised in many ways.

The hand of Moscow had not changed, it held him in spiritual bondage.

That is the case with the Ukrainian nation today.

Freed of the tyranny of the Czars a new tyranny of Red imperialism has been imposed upon it.

The same land of Moscow remains. It has not changed, only the faces and titles of the masters have changed.

The new imperialism of Moscow has however, been forced to recognize the existence of a Ukrainian nation and even claim it to be an independent nation.

This the czars refused to do, preferring to delude themselves and many innocents abroad that Ukrainians were some sort of little Russians.

How Shevchenko despised that reference of "Little Russians."

But Shevchenko would not be happy with the kind of recognition given to Ukraine today by the Russian commissars.

For it is meaningless.

It accords to Ukraine a national independence in form while imposing by force a substance called socialism, which in reality is nothing more than old fashioned Russian despotism.

The heart, the life, the soul of the Ukrainian nation is held in Russian bondage.

And today there are innocents abroad who continue to look upon the Ukrainians as "Little Russians" while others are deluded into believing that the Ukrainian nation is independent and its people are free.

The skill of massive deception practiced by the czars has been refined and perpetuated by the commissars.

Meanwhile, the yearnings and aspirations of the Ukrainian people so well expressed by Taras Shevchenko have been strengthened, they have become emboldened in this revolutionary era, they too are refined and perpetuated in this generation of Ukrainians on both sides of the Iron Curtain.

In his last years, while in exile, Shevchenko devoted his talents to the preparation of textbooks in his native language, so confident was he that Ukraine would be emancipated from the Moscals.

Knowing the need for these tools in the rebirth of national independence, he spent himself in these preparations.

We can learn much from this chapter in the life of the man we honor today.

Confident of victory he admonished preparation for the tasks which would quickly follow the day of national liberation.

That must be your spirit today. That lesson followed with dedication in our times will bring a rich harvest of blessings in the future.

We must not, we may not, wait another 100 years for the dismemberment of the unholy Russian empire.

Business Leaders Criticize Reader's Digest Article on U.S. Employment Statistics

EXTENSION OF REMARKS
OF
HON. WILLIAM PROXMIRE
OF WISCONSIN
IN THE SENATE OF THE UNITED STATES
Wednesday, September 27, 1961

Mr. PROXMIRE. Mr. President, the September 1961, issue of Reader's Digest carried an article by Mr. James Daniel, a roving editor of the publication, criticizing the methods used to gather U.S. unemployment figures, and the manner in which the statistics are presented to the public by the Bureau of Labor Statistics. In his article Mr. Daniel suggests that employment figures are based on misleading assumptions and suspect techniques, and concludes that they give a distorted picture of the actual national job situation.

Because of the importance of these charges I have invited Mr. Daniel to testify before the Statistics Subcommittee of the Joint Economic Committee, at hearings which are scheduled for December 18–20.

In the meanwhile several prominent users of U.S. employment figures have written to tell me that they do not share Mr. Daniel's critical opinions. One such letter comes from Mr. C. Ashley Wright of the Standard Oil Co., who writes that Mr. Daniel's charges are supported by "gross misstatements of facts and by a series of unjustifiable inferences." I ask unanimous consent that Mr. Wright's letter be printed in the Appendix to the RECORD.

The Business Research Advisory Council, an outstanding national group with membership drawn from nominees selected by the National Association of Manufacturers and the U.S. Chamber of Commerce, recently adopted a formal resolution calling unwarranted criticism of the Bureau of Labor Statistics "unjustified and unfortunate." I ask unanimous consent that the letter from the chairman of this council, Mr. George C. Hagedorn, who is also director of research for the National Association of Manufacturers, containing the text of this resolution, also be printed in the Appendix of the RECORD.

Another letter comes from Mr. Myron S. Silbert, vice president of Federated Department Stores, Inc., and a member of the Business Research and Advisory Council to the Buerau of Labor Statistics. He encloses a letter addressed to the editor of the Reader's Digest commenting in detail on Mr. Daniel's contentions. I ask unanimous consent that Mr. Silbert's letters to me and to the Reader's Digest also be printed in the Appendix.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

STANDARD OIL CO.,
New York, N.Y., September 21, 1961.

Hon. WILLIAM PROXMIRE,
U.S. Senate,
Washington, D.C.

DEAR SENATOR PROXMIRE: Because of your well-known contributions to the work of the Joint Economic Committee, I am writing to offer a few comments on an article in the September Reader's Digest entitled "Let's Look at Those 'Alarming' Unemployment Figures" by Mr. James Daniel.

In effect, this article charges the officials of the Bureau of Labor Statistics with a conspiracy designed to exaggerate its statistics of unemployment and to mislead the Nation into believing that the unemployment problem is more serious than it really is. The charge is supported by gross misstatements of facts and by a series of unjustifiable inferences.

Having worked for several years with the Bureau of Labor Statistics as a member of its Business Research Advisory Council and its subcommittees, I have complete faith in the high integrity of its staff. I feel that the Digest article does the Nation a serious disservice insofar as it impugns that integrity and creates doubts concerning the honesty of the Bureau's figures.

Respectfully yours,
C. ASHLEY WRIGHT.

NATIONAL ASSOCIATION
OF MANUFACTURERS,
New York, N.Y.

Hon. WILLIAM PROXMIRE,
U.S. Senate, Senate Office Building, Washington, D.C.

DEAR SENATOR PROXMIRE: The Business Research Advisory Council to the Bureau of Labor Statistics, of which I have the honor to be chairman, has been much concerned about certain published criticisms which reflect on the honesty and competence of the Bureau. I know that this is a matter of concern to you also as chairman of the Joint Economic Committee's Subcommittee on Statistics. For that reason, I believe you will be interested in the following resolution which was adopted by the council at a recent meeting:

"The Business Research Advisory Council, organized 14 years ago and in continuous contact with the work of the Bureau of Labor Statistics since then, consists of members drawn from the business community, selected from personnel nominated by the National Association of Manufacturers and the chamber of commerce of the United States.

"The council concedes that there is room for honest differences of opinion in regard to the methods and concepts used by the Government in collecting statistics on employment and unemployment. On the whole, however, the council believes that the methods used by the Bureau of Labor Statistics provide a reasonable and useful procedure for presenting information on the levels of employment and unemployment.

"The council has complete confidence in the honesty, objectivity, and competence of the Bureau of Labor Statistics and its leadership. It regards public allegations that the Bureau has manipulated its methods and its results with an eye to their political impact as unjustified and unfortunate."

I hope you will feel free to quote this resolution whenever, or wherever, you may think appropriate.

Yours sincerely,

GEORGE G. HAGEDORN.

FEDERATED DEPARTMENT STORES, INC.,
Cincinnati, Ohio.

Hon. WILLIAM PROXMIRE,
U.S. Senate, Washington, D.C.

SIR: I am enclosing a copy of a letter I addressed to the editor of Reader's Digest objecting to inaccuracies in the article in the September issue of Reader's Digest concerning unemployment statistics.

Very truly yours,

MYRON S. SILBERT.

FEDERATED DEPARTMENT STORES, INC.,
Cincinnati, Ohio.

Mr. DEWITT WALLACE,
Editor, the Reader's Digest,
Pleasantville, N.Y.

DEAR MR. WALLACE: May I, in this letter, discuss the article in the September Reader's Digest by James Daniel on employment and unemployment statistics.

For several years, I have been a member of the Business Research and Advisory Council to the Bureau of Labor Statistics.

Our council represents the business community and the leading business associations. There is another advisory group chosen by the labor group.

Our job is to study the various reports prepared by the Bureau of Labor Statistics and to give them the best advice we can on how to improve them. The Bureau reviews its contemplated programs with our business council.

I have been chairman of the Committee on Manpower and Employment Statistics of this Council. Our committee is particularly interested in the subject of Mr. Daniel's article.

I have attempted to evaluate Mr. Daniel's article.

There is always a need to check Government statistics and review underlying definitions. Mr. Daniel had full right to dig into this subject, but I do not believe his digging is accurate, and it is below the standard of good research.

May I say why I think so.

1. The survey of 35,000 households is a reasonably good tool for an estimate of total employment and unemployment. It is probable that a complete person-to-person count of the unemployed would not give a more accurate answer and would be very expensive.

The household sample survey does give a very good approximation. A sample of this size is a sound scientific way to get these figures of employment and unemployment.

2. This survey is conducted by the Census Bureau. I have reviewed the detailed methods and believe them to be scientifically sound and honest.

3. Some years ago, a committee representing several different Government agencies reexamined the questions used on employment and unemployment and made some revisions. I have studied the reports of this special committee and believe them to be very sound and thoroughly honest. This special committee included many other parts of the Government besides the Bureau of Labor Statistics and was truly a Government-wide group of experts.

4. It is only recently that the staff of the Bureau of Labor Statistics received responsibility for the publication and presentation of the monthly figures on employment and unemployment, so it is not correct to say they have prepared news releases for this subject back over the years.

It is my opinion that in the period in which the Bureau of Labor staff has issued figures and analyzed trends of employment and unemployment they have been highly conscientious and have been motivated only by a desire to serve the country well and to do their job accurately.

5. They have not presented a slanted picture on unemployment.

6. They have presented all the figures on employment as well as unemployment. The story on both sides has been made available in the Government reports.

7. The Bureau staff has made special studies on "Who are the unemployed?" It has analyzed the unemployed according to age groups, color groups, and length of unemployment. These have helped to show that the most serious part of unemployment was not the entire number, but primarily the core of longer time unemployed above the age of the recent students. This has helped to give an accurate picture of unemployment.

Why do we take Mr. Daniel's article with such concern?

Because without accurate facts it tends to cast undesired doubt on a capable and honest group of Government workers who have done a very good job and not a bad job.

There is room for continuing searches on unemployment and employment statistics, but such challenges should be made with a high degree of accuracy.

Sincerely yours,

MYRON S. SILBERT.

Press Reports Pentagon Efforts To Trim Waste in Procurement

EXTENSION OF REMARKS
OF
HON. WILLIAM PROXMIRE
OF WISCONSIN
IN THE SENATE OF THE UNITED STATES
Wednesday, September 27, 1961

Mr. PROXMIRE. Mr. President, several articles in newspapers and magazines have appeared recently describing the Defense Department's new attack on waste and inefficiency. With a Defense budget now topping $47 billion, the importance of this effort cannot be emphasized enough. The present international situation, which has prompted a major military buildup including the call-up of National Guard and Reserve units, makes it all the more essential to achieve maximum military efficiency for the sums which are appropriated. The opportunities for waste in a period of military expansion are notorious. Therefore it is welcome news that the officials in charge of spending operations, led by Deputy Secretary Roswell L. Gilpatric and Assistant Secretary Thomas D. Morris, are mounting a concerted campaign of costcutting.

One article describing certain aspects of this campaign appeared in the Wall Street Journal. Written by Louis Kraar, a Journal staff reporter, it outlined the kinds of procedures that the Pentagon seeks to adopt to achieve greater economies. I was impressed with the overall picture presented in this article, and desiring further clarification I wrote Assistant Secretary Morris to request a more detailed report on the new methods that are being adopted. I ask unanimous consent that the Wall Street Journal article and my letter to Assistant Secretary Morris be printed in the Appendix of the RECORD.

A major defense procurement reform that has already been adopted is the consolidation into a central supply agency of all the nonmilitary purchases of the Armed Forces. This reform has been advocated for some years by the Defense Procurement Subcommittee of the Joint Economic Committee, led by Senator PAUL DOUGLAS of Illinois. As a member of this committee I have strongly supported this change and now hope that it will achieve the economies that are predicted. According to the Pentagon, this single step may save as much as $250 million per year once it is in full operation. It should put an end to the wasteful duplication in procurement and stockpiling that was documented over and over again in the hearings conducted by the Joint Economic Committee.

An article in Newsweek magazine describes the difficulties inherent in spending billions of dollars efficiently. It quotes Pentagon leaders and industry spokesmen on the kinds of new procedures which may be most helpful. As in the case of Mr. Kraar's Wall Street Journal piece, this article raises some questions about which more clarification would be desirable. I ask unanimous consent that this article also be printed in the Appendix of the RECORD.

One of the most obvious causes of waste in all military spending operations has been the increasingly widespread use of cost-plus contracts. In the past decade the percent of budget-fattening cost-plus procurement has risen from 12.7 percent to over 42 percent. During the same period the volume of defense spending increased enormously, so the total amount of cost-plus procurement has risen an even greater amount. Commenting on the need for efficient defense production, the New York Times recently noted:

> The cost-plus method of guaranteeing profits for defense contractors is another breeder of waste. More than one-third of all defense contracts are let on a cost-plus basis—virtually all in fields that carry the highest priority or involve the most experimental work. The Defense Department is now looking for a system that will provide a greater spur to speed and quality.
>
> When billions of dollars are being spent on negotiated contracts, in the belief that these assure more dependable and economical performance than could be obtained through competitive bidding, the country is entitled to prompt notice that it is getting value received.

I ask unanimous consent that the editorial from the New York Times entitled "Efficient Defense Production" also be printed in the Appendix of the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

The Honorable THOMAS MORRIS,
Assistant Secretary of Defense,
Installations and Logistics,
Department of Defense,
Washington, D.C.

DEAR SECRETARY MORRIS: The Wall Street Journal of October 5, 1961, carried an article by Louis Kraar describing Defense Department efforts to eliminate waste and reduce costs in military spending. The article quotes you several times. Mr. Kraar apparently discussed this subject with a number of other Pentagon officials, and he may also have drawn on the printed text of the hearings before our Subcommittee on Defense Procurement of the Joint Economic Committee.

I am impressed with the overall picture of your Department's efforts to reduce spending in defense procurement which is presented in this article. However, there are several points in the article about which I would like more information. They are as follows:

1. Specifically what steps are being taken to "expand competition among suppliers of military hardware?" Mr. Kraar suggests that the saving in the current fiscal year resulting from this more vigorous competition "may reach $100 million." Is this figure correct? Have you looked into the possibility of renegotiating existing contracts to inject a similar money-saving element of competition?

2. What exactly are the plans to revise buying regulations to provide stronger incentives for cutting costs? The Journal article suggests that you may use the "powerful incentive of the profit motive" to achieve this? Is this correct, and if so, how would this be accomplished?

3. The article states that cost-plus contracts "may be deemphasized." Specifically, what steps are being taken to accomplish this? What share of Defense procurement is now cost-plus? How much do you think this share can be reduced?

4. The article also quotes you as saying that savings of $50 million per year can be achieved in the purchase of airplane spare parts, and that the percentage of such parts bought competitively can be increased from 15 percent to 30 percent. What specific steps are being taken to achieve this revision? Are similar changes being adopted for all spare parts procurement?

5. I would also like to have more information on the proposed "sliding scale of 'award fees' tied to total performance" described in the final paragraph of the article.

I look forward to hearing from you.

Sincerely,

WILLIAM PROXMIRE,
U.S. Senator.

PENTAGON'S PURSE: MILITARY SEEKS TO CUT COSTS, PARTLY OFFSET BERLIN BUILDUP OUTLAY—OFFICIALS AIM TO BOOST USE OF COMPETITIVE BIDDING, CENTRALIZE MORE BUYING—MR. MCNAMARA'S BLACK BOOK

(By Louis Kraar)

WASHINGTON.—As the big bills for the Berlin buildup begin to pour in, Defense Chief McNamara and his Pentagon band are resolving to strive harder than ever to save military dollars.

Their best economy efforts, it's conceded, won't prevent the Nation's defense outlays from surging to a new post-World War II high of around $50 billion in the year starting next July 1. But, policymakers vow, they will help keep costs from climbing more than is necessary. By streamlining military purchasing, shutting down unneeded installations, and using less dramatic devices, officials expect to reap annual savings high in the millions.

"We must allot and use men and units as if we had to reach into our own pockets to meet the payroll," declares Army Secretary Stahr, whose service is bearing the brunt of the current expansion in troop strength.

Right up to Mr. McNamara himself, civilian leaders insist their aim is to avoid any Berlin-born letdown in economy and efficiency efforts. "We have no intention of using the present crisis as an excuse for easing up our drive" declares the tough-minded former Ford Motor Co. executive who bosses the Pentagon.

BEGINNING MOVES

Beyond mere rhetoric, defense policymakers are steaming ahead on various economy courses. The degree of final success, of course, depends on how far they'll really push—often against opposition from Congress and from military men inside the Pentagon. Nonetheless, these beginning moves are being made with some visible effect:

On orders from Secretary McNamara, the military services are expanding competition among suppliers of major hardware they buy. Thus, after first picking Borg-Warner Corp.'s Ingersoll-Kalamazoo division alone to develop a new aluminum amphibious vehicle called LARC, the Army awarded a production contract to LeTourneau-Westinghouse as well as to Ingersoll-Kalamazoo. "We reduced the price almost 50 percent, saving over $40,000 per unit, compared with what we would have paid if there had been no competition," estimates an Army purchasing agent. Such competition before long will be extended to aeronautical and other spare parts, among other things. Savings may reach $100 million in the fiscal year ending next June 30, officials reckon.

Pentagon procurement officials are laying plans for revising complex, often-rigid buying regulations to provide stronger incentives to contractors for cutting costs and improving performance of aircraft, missiles and other weapons. While such schemes have seen limited past action, the idea now is to make far greater use of what one top official terms the powerful incentive of the profit motive. One possibility under study: Giving contractors added fees for a particular efficient, economical job, but charging them a penalty for an especially poor showing. The cost-plus contract, under which a supplier gets a set fee plus reimbursement of expenses, may be deemphasized.

The new Defense Supply Agency, designed to centralize purchasing of items used by all the services, will gradually expand its scope. It's starting out with clothing, food, petroleum, medical, automotive, construction, and a few other things on its shopping list; soon it will take over certain services, including transportation management, and buying of electrical and electronic equipment. Chemical supplies and aviation parts may be added later on. Within 4 years, officials estimate, annual operating savings will run about $50 million.

SURPLUS INSTALLATIONS

The campaign to close down surplus military installations is becoming a Pentagon fixture. A special office is working full time to scrutinize some 6,700 sites in this country and abroad for possible closing or cutback. Besides the 73 installations now slated for shutdown or curtailment, more are expected to be disclosed before the year's end, and news of the same sort may come periodically thereafter. Prime targets include supply depots, which now burden the Pentagon with 41 million square feet of excess storage space.

"This current Berlin buildup," declares one high official, "will require more rapid, rather than slower, action in closing unneeded bases. We need the men and materials that can be reassigned to high-priority missions."

The McNamara Pentagon team pursues these and other economy efforts with a special style of management designed to bring quick results, that concentrates authority at the top. The Secretary, for instance, demands that aides keep a special scoresheet on every major weapons project for his personal scrutiny; in a thick black looseleaf notebook, Mr. McNamara gets a monthly review of the important events in each project, including possible delays, financing problems, and an indication of whether a decision is required on the program during the next month.

"This notebook gives the boss a panoramic view of all important programs," explains a McNamara aide. "It means he gives much tighter surveillance and closer personal attention to these programs than others did in the past."

" 'Managing by projects' has become a way-of-life in the Pentagon," adds the Assistant Defense Secretary for Installations and Logistics, Thomas D. Morris. "It means we concentrate our time and our staff talent on a few major, well-defined problems that can be pursued to a point of action, as opposed to dispersing our efforts."

This technique has brought swift action on such things as centralized procurement. Mr. McNamara raised the issue in a confidential memo to associates last March 23; they studied it, and by September 1 plans for the Defense Supply Agency were set. That 5-month feat is considered better than par for the course in the Pentagon's bureaucratic jungle.

But the McNamara methods have brought sharp complaints from military and civilian leaders of the Army, Navy, and Air Force who maintain too much authority is centered at the top and too little use is made of lower echelon expertise.

"Mr. McNamara tries to run everything himself. He's almost smart enough to do it, but he's only human and can't know all," snaps a veteran Pentagon civilian official. "Often, these people decide to do things without really understanding the facts."

The Air Force, for instance, contends that local purchasing of automotive parts proves more economical in the long run than centralized buying. The reason, service officials say, is less paperwork and delay. Now, however, these parts will be handled by the new central procurement agency.

Apart from any internal misfires, the economy drive is encountering formidable obstacles on the outside. Stanch local resistance to base closings and curtailments is being faced by the Pentagon leaders. Delegations from affected towns have streamed into the Capital to plead for their bases, and Congressmen have sought to reverse shutdown decisions. So far, however, the administration has reversed itself only occasionally. When the Pentagon decided to retain in operating forces six wings of B–47 medium bombers originally earmarked for retirement this year several bomber bases in this country won new leases on life. And now, in step with the Berlin buildup, the Air Force is postponing next year's scheduled closedown of four airbases in Britain.

STEPPED-UP TRAINING

In addition, stepped-up training for the Berlin crisis has caused the Army to reopen Fort Chaffee, Ark., though Mr. McNamara insists: "We don't have plans for any more reactivations."

Even if all the economy efforts were to succeed, defense outlays still would rise. "Notwithstanding all our efforts to effect economies in the execution of the defense program," warns Defense Comptroller Charles Hitch, "defense expenditures are likely to continue their upward trend in fiscal 1963." Spending then is expected to hit $50 billion, up from this year's post-World War II high of about $47 billion, thanks to a series of Kennedy-ordered step-ups in military strength.

But added efficiency is considered all the more vital now. Increased outlays alone

don't produce more defense capability, warns Deputy Defense Secretary Gilpatric. Without special efforts at squeezing more value from available money, he declares, the country could get shortchanged in military strength. And in the current crisis atmosphere top civilians say, they're getting good cooperation from below in tightening up on unnecessary spending.

The individual military services, it's reported, have diligently pursued the search for more competition in defense procurement. The Navy, for one, estimates that by having two producers rather than one for its Sidewinder air-to-air missile, the cost has been lowered by 30 percent to $2,300 per missile; Philco Corp. and General Electric Co. are the two major contractors for the Sidewinder.

BUYING SPARE PARTS

A new area for reducing prices through competition will be the purchase of various spare parts according to Assistant Secretary Morris. "Our studies of aeronautical parts have revealed that the percentage of such parts bought competitively can probably be increased from 15 to 30 percent and that price savings on the order of $50 million per year can be realized," he reports.

As things stand now, procurement from a single source still represents the bulk of all defense contracting—about 60 percent of the total. Service officials have tended to shun more competition for many reasons, including fear of buying from unproven sources, and lack of time and manpower to conduct competitions. Moreover, buying from a single source often is inherent in certain stages of defense work; a major missile or airplane whose details must be worked out bit by bit can usually be developed only by a single major contractor known to have the needed manpower and facilities for the job.

Where they are feasible, even relatively small increases in competitive procurement, defense officials say, can bring significant cost cuts. "It's believed that price savings of at least 100 million can be achieved this fiscal year," states a high official.

EXTRA FEES FOR CONTRACTORS

In another effort to achieve savings, the services will be urged to make greater use of contract arrangements that offer companies a substantial share of the fruits of any cost-cutting plans they can devise. Often if speed of delivery or special performance features—extra high altitude for a plane or extra long range for a missile—are urgently wanted, extra fees may be given for exceeding certain standards.

The most fundamental change in the works is simply modifying administrative procedures to allow the military services to pay higher profits, when warranted by contractors' good work. Present laws allow up to 15 percent profit for research and development work and 10 percent for production; but in practice contractors rarely get more than 10 percent for research and 7 percent for production.

To stimulate better, cheaper work, too, procurement chiefs plan to give more weight to past performance in selecting contractors for future jobs.

And as a special incentive for contractors, Assistant Secretary Morris, the Pentagon's top procurement man, proposes a sliding scale of award fees tied to total performance. While details have yet to be decided it would work primarily like this: The Government would select a board of professional experts not directly involved in a particular contract to determine how much profit a concern should get for a given job after it's completed. A particularly good job would mean a higher than normal profit in the form of an extra award fee; especially poor performance would mean a penalty instead.

WEAPONS: THE STRUGGLE TO BUILD MORE OF THEM BETTER AND FASTER WITHOUT UNDUE COSTS OR PROFITS

(The Nation's biggest business—and its biggest challenge—is defense. The record in meeting that challenge is good, but it may not be good enough. This week Senior Editor James M. Cannon and Associate Editor Lawrence S. Martz turn the spotlight on the problems of the defense industry, and what's being done about them.)

Ever since 1777, when Washington's ragged troops were freezing at Valley Forge and the Continental Congress was complaining about war contractors' "lust of avarice," the problem has remained: How can the country produce the best weapons, with the least delay, and at the lowest possible cost? As the weapons have evolved from muskets to missiles and the cost of defense has soared to $50 billion a year, the problem has become as complex as the 1.5 million parts of a Nike-Zeus antimissile battery. And in Washington today, the continuing search for solutinons has assumed a new urgency—and a new sense of purpose.

Top defense industry leaders, in New York 2 weeks ago for a meeting of the National Security Industrial Association, heard this blunt warning from Roswell L. Gilpatric, Deputy Secretary of Defense: "We cannot afford production delays. We cannot tolerate unsatisfactory material. Overall, your industry's performance has been good, but 'good' is not enough in these times. There have been far too many failures. We are by no means satisfied."

Reasons for dissatisfaction weren't hard to find. There was the supercarrier *Kitty Hawk*, now on extended sea trials some 22 months behind schedule; there was the M–14 rifle, only now free of the production bugs that have beset it for 2 years. There was the missile that malfunctioned because a workman let a drop of solder fall into a semiconductor; there was the new jet aircraft delayed for 6 months because a company official didn't tell his superiors that there were problems with the engine.

For all the horrid examples, Gilpatric made it clear that his warning was not an indictment of the defense industry. He also acknowledged what businessmen have been guardedly grumbling about for year—that the Government shares the blame for delays, rising costs, and uneven quality in defense contracts. His basic message: Fundamental changes are being made in defense procurement. They will hurt some firms—the inefficient, the incapable, the careless. But they will reward good performance, and they will benefit the country.

Cheers: The businessmen were enthusiastic. "We'll have accomplished a great deal if we can get rewards for good performances and penalties for bad work," said E. V. Huggins, NSIA president and chairman of Westinghouse Electric Corp.'s executive committee. "I've never seen a time when there was a better approach to cooperation [between industry and the Pentagon] than there is today."

What are the problems? Understandably, both defense and industry officials are reluctant to jeopardize their improving relations with quoted criticisms; the president of one space-age company dismissed the whole subject as "to touchy" for comment. Off the record, though, they list a bewildering variety of often contradictory complaints on the difficulties of defense business.

Government aides accuse the contractors of bidding low on competitive contracts, counting on raising the price later in renegotiating sessions; of, on the other hand, bidding high on negotiated cost-plus contracts, hoping to make a profit on the cost figure; of neglecting quality controls; of failing to coordinate parallel stages of projects and permiting delays in whole programs. The contractors, in turn, accuse the Government of forcing their profits down (from an average 7 percent to 3 percent in 8 years, one industry official says); of making unnecessary design changes on contracts in work; of erecting mountains of redtape and trying to supervise niggling details.

Shortcomings: "There has not been a widespread failure in defense procurement," Gilpatric told Newsweek last week, "but we've noticed on a number of occasions that contractors on whom we've relied for excellence * * * have not taken the kind of precautions, particularly in quality control, that we expected.

"The other day, we were suddenly told the engine for a new aircraft wouldn't be ready until 5 months after the scheduled date. Top management was not made aware by its own people that the problem had developed. So the flight test was thrown off by 6 months.

"Industry is often blameless (when failures occur). It is not always easy to identify contractor failures. We are moving into a new order of things. We are pressing all designs and engineering beyond pragmatic experience (and) men have to set constantly higher standards."

Experted to death: Most businessmen, for their part, admit they're not always blameless. But many of them echo the complaint of George M. Bunker, board chairman of the Martin Co.: "We are being overmanaged by the (Government), especially in research and development, and are being experted to death." Other contractors agree with the Boeing engineer who told Newsweek: "If an automobile manufacturer started out to build a racing car, then changed to a stock car, then to a passenger car, then went back to building a racing car, he'd have something of the same problem Boeing is having with the Dyna-Soar space glider, thanks to the Air Force and its constant changing of design goals.

"There's almost no such thing any more as a blanket cost-plus contract," the spokesman for another top contractor said. "If you do your damndest to be efficient, you just get renegotiated."

Despite the friction, Government and industry both recognize underlying problems they must learn to live with.

First and most basic, weapons are advancing so fast that they become obsolete before they've gone into production; thus a shrinking proportion of defense work is on production contracts, and a swelling amount on research and development. General Electric, for example, did 90 percent of its defense work on production during the Korean war, estimates now it's less than 40 percent.

At the same time, as weapons become more complex and expensive, the quality standards soar out of sight. This is most obvious in such fields as missile testing, where failure of a single widget can set back a whole program for months. And the high standards are requiring extensive advances in techniques. One contractor noted: "When you're building a missile silo you've got to pour concrete to tolerances of fractions of an inch. What concrete man has ever done that? It's building with calipers. You've got to develop a whole new breed of workers."

Complicating the question is the fluctuating world crisis, which makes speed essential. The Minuteman missile, its rocket motor and its underground silo are being developed simultaneously; a change in any stage can require extensive redesigning of the others—which inevitably adds to cost and time.

Politics: A final fact of life is the semipolitical nature of defense contract awards.

One disappointed contractor said: "You put up a highly qualified bid, and then because of some purely political consideration—unemployment in some other area, or because a Senator has the ear of the buying agency, or whatever—you get knocked out."

None of these factors is likely to change. But other problems can be solved—as illustrated by the cases of the Kitty Hawk and the M–14.

New York Shipbuilding Corp., a subsidiary of Merritt-Chapman & Scott, won the Kitty Hawk aircraft carrier contract 5 years ago with a bid of $119.8 million—reportedly below what the work-hungry yard figured would be final cost. There were a host of design changes; as costs mounted, the Navy says, the company cut corners wherever it could. About $1 million a year was saved in housekeeping costs—but metal shavings and other debris littered the decks and found their way into fuel, water, and chemical lines. Thus, considerable work had to be done twice to clear out the pipes, says the Navy.

No one will estimate the final cost of the *Kitty Hawk*, and the debate over who pays for how much of the added price continues. Navy Secretary John B. Connally, Jr., estimates the Navy's design changes were responsible for about 12 months of the delay, and New York shipbuilding's inefficiency for the remaining 10 months. In any case, published reports say the Navy found from 700 to 1,400 deficiencies in the ship.

Inevitable: As the first missile-firing supercarrier, the *Kitty Hawk* was in many ways a development contract, subject to the inevitable design changes that go with a new weapon. But such problems can extend to production work, too—as the M-14 rifle demonstrates.

"I think it is a disgrace the way the project was handled," Defense Secretary McNamara told the House Armed Services Committee in July. "I don't mean particularly by the Army, but by the Nation. This is a relatively simply job, to build a rifle • • • and yet this project languished for months—years, actually."

One explanation was offered by L. E. Kreig, vice president and general manager of Olin Mathieson's Winchester Western Division: "This is not a gun; this is a machine tool." Olin and Harrington & Richardson, Inc., which got the first contracts for the M-14 early in 1959, couldn't unsnarl the production problems until this summer. The rifle has 110 parts, many of which must be machined to close tolerances; in addition, major design changes became necessary.

"Design changes are a way of life," Kreig said. "Nobody can foresee everything. The problem is not the changes themselves, but the way they have to be made. Every piece of paper accounting for every action must be approved [by the Government] before the action is taken. This looks like economy, but it's probably one of the most expensive measures that could ever be taken."

Pledges: The problems are obvious; the solutions are not. But in the new atmosphere that followed the Kennedy administration into Washington, defense and industry leaders have agreed on a surprising number of changes. In a speech to the NSIA, Secretary McNamara last June promised the Government would try to simplify its specifications; reduce development times; hold down the number of design changes, and cut the amount of information required from contractors. Both industry and the Government are working to cut costs, with some impressive results. Samples: The Polaris fusing assembly, which formerly cost $50, can be made now for $5; Martin Co. found a way to make a $45 missile component for $7.

The Defense Department is trying to reverse the trend to cost-plus contracts, up from 12.7 percent of the budget in 1951 to 42.6 percent in fiscal 1960. And Thomas D. Morris, Assistant Secretary of Defense, hopes to raise the number of contracts let by competitive bidding from the current 15 percent to 25 or 30 percent. Success, he says, will save tens of millions of dollars.

Businessmen welcome all these moves, though some are skeptical about the chances for fixed-price contracts and competitive bidding on today's complex contracts. The plan they like best is McNamara's emphasis on rewarding good performance and punishing failure.[1] He wants more contracts like the one just signed for a new missile: If it works on the first, second, or third shot, the producer gets a 15-percent bonus. If it works on the fourth or fifth shot, he gets no incentive payment. If it does not work by the sixth firing, he loses 5 percent, and the penalties go higher after that.

To keep the ball rolling, McNamara has set up an independent Logistics Management Institute, headed by Charles H. Kellstadt, board chairman of Sears, Roebuck & Co. The institute, under acting executive director Dr. Sterling Livingston, a Harvard Business School professor and defense-buying expert, will study the whole Government supply field and propose new ideas.

Livingston, who rewrote the Navy's procurement instructions in World War II and helped rebuild the military buying apparatus in the Korean war, thinks the new emphasis on the profit motive will make a big difference in raising quality, cutting delays and costs. "Now we pay a man to goof as well as perform," he says. "In the future, we will penalize a man who goofs, and pay him better to perform."

Will the changes make any real difference? Some veterans on both sides of the fence tend to doubt it; they see the problems as too complex, and too well established, to permit more than token improvement. But the consensus was summed up by Livingston, who expects no overnight production miracles but is convinced that great steps forward can be made. "These problems have been around a long time, and people have been working on them for a long time," he said. "But Secretary McNamara and his staff have an astonishing determination to get things done. The real difference is that the top level wants something to happen."

Efficient Defense Production

The Pentagon is dissatisfied with the way many large defense contractors are doing their job. Quality is poor on some weapons; delivery dates are not being met and costs are too high. The record has been disturbing enough to prompt Deputy Defense Secretary Gilpatric to tell the heads of defense industries: "We are by no means satisfied that the unique managerial talent with which this Nation is endowed has yet made itself fully effective in defense production."

This is a dismaying comment in a year when we are spending $25 billion on military procurement and the exigencies of the world situation compel us to be ready with a wide range of arms and the means to get them swiftly to any part of the globe. In a crisis we must never find ourselves obliged to use nuclear weapons because we do not have enough conventional arms to meet the requirements of a limited war. The anxiety being expressed by Air Force units in Europe over just this possibility indicates the need for top speed in fulfilling all our procurement goals.

Allocating the blame for waste in defense production is never an easy task. The military services themselves often are much at fault, as they were on the M–14 rifle and many aspects of the missile program. The hangover of the Pentagon's own "troika" system of divided procurement responsibility, delays in the approval of designs and the issuance of contracts, the kind of perfectionism that results in frequent changes after contracts go into production—all these have been factors in slowing deliveries and driving up costs.

The cost-plus method of guaranteeing profits for defense contractors is another breeder of waste. More than one-third of all defense contracts are let on a cost-plus basis—virtually all in fields that carry the highest priority or involve the most experimental work. The Defense Department is now looking for a system that will provide a greater spur to speed and quality.

When billions of dollars are being spent under negotiated contracts, in the belief that these assure more dependable and economical performance than could be obtained through competitive bidding, the country is entitled to prompt notice that it is getting value received.

[1] The idea isn't new. In 1907 the War Department hired the Wright brothers to build a plane, agreed on a 10-percent bonus for each mile of speed over 40 miles an hour and a 10-percent penalty for each mile under the target. The Wrights hit 42.25 miles per hour, got a $5,000 bonus.

Federal Participation in the World's Fair

EXTENSION OF REMARKS
OF
HON. ROBERT R. BARRY
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Wednesday, September 27, 1961

Mr. BARRY. Mr. Speaker, the Herald Statesman, Yonkers, N.Y., carried an editorial on September 23, 1961, concerning Federal participation in the New York World's Fair of 1964.

The article, of course, speaks for itself. However, for the record, I would like to inject my own view of the situation.

It is one thing for the chairman of the Senate Foreign Relations Committee to state a direct opinion on whether or not the United States should invest in the promotion of the cause of peace and understanding among the people of the world. He is certainly entitled to his opinion. However, in this particular instance, he is apparently trying to use the entire New York congressional delegation as his scapegoat in delaying action on a bill which has the unanimous support of the Governors of the 50 United States, White House endorsement, and overwhelming congressional approval.

The position of the Empire State has been grossly misrepresented. It is unreasonable on the part of the Senator to presume that New York would not seek Federal participation in this worthwhile international endeavor. As I pointed out in the RECORD on August 22 when H.R. 7763 passed the House by a clear-cut majority, the latest Federal expenditure for participation in a world's fair was $13,500,000, in 1958.

Federal appropriations for fairs and exhibits since the Chicago World's Fair in 1893 have totaled $65,009,812.

I trust the Senator is not suggesting that the United States now set a precedent by discontinuing participation in international fairs and exhibits.

The article follows:

HE'D KEEP UNITED STATES OUT OF WORLD'S FAIR

If and when the 1964 World's Fair opens in New York, among the nations not represented by exhibits may be the United States.

The United States will not be represented, that is, if Senator J. WILLIAM FULBRIGHT, of Arkansas, has his know-it-all way.

The House of Representatives has passed a bill looking toward a U.S. exhibit in the fair, and the Senate is said to be prepared also to pass that bill if Senator FULBRIGHT, the chesty chairman of the Foreign Relations Committee, will permit it to do so.

Under Senate rules and custom, you see, the chairman of a committee has all but complete power to release or to pigeonhole, and thus kill, any legislative proposal—even though all other Members of both Houses and the President may be clamoring for its passage.

Mr. FULBRIGHT's contention is that, when the world's fair was first discussed in the Congress in 1959, the New York congressional delegation "pledged that no Federal funds would be sought." So he sees a proposal to appropriate $300,000 to study the nature and scope of possible U.S. participation in the fair as a violation of that pledge since it might lead to construction of an American pavilion at a cost of up to $30 million.

New York spokesmen, on the other hand, declare Mr. FULBRIGHT has misconstrued, deliberately or otherwise, the position of the Empire State. Our Senators JAVITS and KEATING have asserted that it truly never was and is not the intention of this State to ask a Federal subsidy to help establish or promote the fair—the World's Fair Corp. is prepared to do all that out of its own capital and income. New York does want, however, a U.S. exhibit in the fair—an exhibit at least comparable to those of foreign nations which have contracted or are reported ready to contract for space and buildings in the vast exposition.

The Arkansas Senator has demonstrated more than once in recent months that, having eaten too fulsomely of the oats of power, he suffers either from too much toga or too tight britches.

To an ill-timed and unwarranted if not hare brained, pronouncement on the Berlin situation, for example, he now adds his dictum on the World's Fair.

In the former he put his opinions above those of the White House, while in the latter he seeks to substitute his personal judgment for that of the whole Congress.

It's right, of course, that a U.S. Senator take his responsibilities seriously—but that is not to say any Senator should take himself too seriously.

Report to the People of Oklahoma

EXTENSION OF REMARKS
OF
HON. ROBERT S. KERR
OF OKLAHOMA

IN THE SENATE OF THE UNITED STATES

Wednesday, September 27, 1961

Mr. KERR. Mr. President, I submit herewith my report to the people of Oklahoma, covering legislation and other activities, as their senior Senator in the 87th Congress, and ask unanimous consent to have it printed in the Appendix of the RECORD.

There being no objection, the report was ordered to be printed in the RECORD, as follows:

My fellow Oklahomans, early autumn fishing trips were out of the question this year for Members of Congress, so I missed my customary date with a hook and line in September. However, while remaining in Washington, we helped string up a "record catch" for Oklahoma in one of the longest sessions of Congress in my experience.

The fine results of the session can be attributed to the favorable administration, and to a hard-working delegation which had the help of thousands of dedicated Oklahomans who took an interest in legislation contributing to the well-being and progress of our State. Every project received the joint efforts of Oklahoma citizens and their Senators and Congressmen. These included bills to expand highway building, step up social security and old-age benefits, strengthen farm commodity and soil conservation programs, and meet the critical new needs for better educational opportunities.

One way to measure our accomplishments is to total up the amounts which will be returned to Oklahoma people through Federal investments in Oklahoma and Oklahoma-related programs and projects. This year the total was increased to more than three-quarters of a billion dollars. The figure includes Federal aviation and military payrolls as well as benefits from legislation which covers both grants and loans for hospitals, rest homes, waterworks, sewage systems, and other community facilities or urban renewal projects. The number of such projects sponsored locally will determine the exact totals.

HIGHWAY BILL PASSED

A major project of the Senate Public Works Committee on which I serve as ranking Democrat was the new highway bill. This will greatly assist highway construction in Oklahoma by providing about $47 million more between fiscal years 1963 and 1966 than did the previous measure.

As chairman of the Senate Aeronautical and Space Sciences Committee, I worked with the President to speed up the Nation's space program. This included the appointment of James E. Webb of Oklahoma City to head up the National Aeronautics and Space Administration. The program, including the goal of sending a manned vehicle to the moon and back, will require an investment of $30 billion or more in this decade—including, I hope, hundreds of millions in Oklahoma.

As ranking Democrat on the Senate Finance Committee, I took a leading role in amending the unemployment compensation laws and the social security laws which provide increased payments to widows of retired workers, raise the minimum retirement payments, and provide the option for retirement at age 62 to men. Increased subsistence payments and medical care for the aged and higher benefits for dependent children were secured.

RIVER PROJECT SPEEDED UP

The most substantial gains from this session are for land, wood, and water. Appropriations for these increased from $80 to $130 million. Included are funds permitting a speedup in the Arkansas River navigation project which should make completion possible by 1970, 3 years sooner than previously expected.

Our hopes for the proposed central Oklahoma water supply and navigation project are much brighter than ever before. Survey funds were obtained for the Corps of Engineers to revise and expand previous studies. The new study will be on the basis of a broader evaluation of economic benefits to be derived from the project. This will be possible because of both legislative amendments and changes in administrative regulations secured by us. This reinforces our purpose to complete navigation into central Oklahoma simultaneously with northeastern Oklahoma.

Other good news in the water program: The Arbuckle and Waurika reservoir projects were economically justified. Both will come before Congress next session. Little River Reservoir at Norman was allocated $900,000, and its construction was started.

Soil conservation appropriations will provide $18,095,844 for Oklahoma projects.

SCHOOLS GET FUNDS

U.S. Government aid to schools in federally impacted areas gained a 2-year extension this session, providing $10,899,400 for 1962 to Oklahoma schools.

Congress also appropriated $15,229,000 for military construction at Armed Forces bases in Oklahoma, and the airport bill assures us of at least $2,389,065 for better aviation facilities over the next 3 years.

Other high points for the year include the statewide Community Development Clinic held August 26, in Oklahoma City, successful negotiations to purchase the Oklahoma Ordnance Works, Pryor, for a vast industrial development, First National Conference on the Peaceful Uses of Space held in Tulsa, an important new Federal antipollution and water quality improvement laboratory and experiment project at Ada, and the final report of the Senate Select Committee on National Water Resources, which I headed.

Encouraged by a vigorous new administration, the 1st session of the 87th Congress was off to a fast start. One of my first duties was to give the final report on the 2-year study done by the Senate Select Committee on National Water Resources.

This report showed Oklahoma to be some 10 years ahead of most of the Nation in developing its natural resources and was called excellent and timely by President Kennedy.

NEW COMPLETION DATE FIXED

Early in the year Maj. Gen. Robert J. Fleming, Jr., head of the southwestern division, Corps of Engineers, advised that several years could be cut off the expected completion date of 1973 for the Arkansas River navigation project. This project basically is a 500-mile barge navigation channel being constructed from the Mississippi up the Arkansas and Verdigris Rivers to near Tulsa. But it has other great benefits including flood control, hydroelectric power, municipal and industrial water, and recreation.

I arranged a meeting of the Oklahoma delegation to start action in Congress on the accelerated program. This involved the need of an additional $4,150,000 in the 1962 budget for planning an Arkansas River bank stabilization.

We were able to get the Bureau of the Budget to recommend this in the President's revised budget. Congress then appropriated the funds and for good reason. The speedup (1) provides badly needed employment, (2) saves money because of the rising cost of construction materials, and (3) will reduce transportation rates much sooner.

The river navigation appropriation for 1962 also includes $250,000 for planning on the Short Mountain project, the first of six locks and dams to be built in Oklahoma. This project near Sallisaw will consist of a lock, and a dam 6,700 feet long and 64 feet high. Estimated cost is $101 million.

RESERVOIR FUNDS LISTED

Construction on larger reservoirs will move along with Eufaula getting $28 million; Keystone, $27,500,000; and Oologah, $1,759,000 for its completion.

Two other major projects in eastern Oklahoma received funds. Pine Creek Reservoir in McCurtain County gets $175,000 for planning so it will be eligible for construction next year. Broken Bow receives $1,250,000 for construction.

Study funds voted by Congress include $16,000 for the Bird-Caney project on the Verdigris, $50,000 for the Central Oklahoma project, $500,000 for the Arkansas-Red River

pollution study, $37,000 for Boswell Reservoir, $3,500 for Crutcho Creek, and $25,000 for the Kaw Reservoir near Ponca City.

Also $15,000 for Oklahoma City floodway; $11,000 for Shidler Reservoir; $15,000 for extension of navigation from the Arkansas-to-Eufaula Dam; $15,000 for exploring navigation possibilities on the Poteau River; and $10,000 for start of surveys on the Cimarron in Oklahoma, Kansas, and New Mexico.

Bureau of Reclamation projects in Oklahoma add $2,906,000 to the water program. These funds mainly will go to start construction on Little River Reservoir near Norman and toward completing Fort Cobb and Foss reservoir projects on the Washita. The Waurika project reached the Senate Interior Committee just before adjournment and favorable hearings were held. I will be pushing for approval of both the Waurika and Arbuckle projects in the next session.

RECLAMATION STUDIES APPROVED

Congress also approved study funds for several Bureau of Reclamation projects including Mangum, $36,000; Mountain Park, $2,700; Chikaskia (at Blackwell), $10,000; and a general study of Oklahoma basins, $106,000.

Although not actually in our State, projects for which funds were appropriated in Kansas, Texas, and Arkansas also will greatly benefit Oklahoma.

This was another big year for soil conservation watershed projects, which do so much to hold water where it falls. Of the $18,095,844 appropriation, $10,620,250 goes to the Soil Conservation Service for upstream development and retardation structures, $7,290,000 to the Agricultural Conservation Program, and $185,594 to research at Chickasha.

The Public Works Committee on which I serve approved the Sallisaw Creek watershed project with $4,552,584 in Federal funds, helping to provide Stilwell and Sallisaw a water supply. Congress also acted favorably on upper Red Rock Creek (Garfield, Kay, Noble, and Grant Counties), $1,985,844; Haikey Creek (Tulsa County), $419,000; and Cane Creek (Muskogee and Okmulgee Counties), $1,529,365.

Another major victory this session was the passage of my antipollution bill. With it, Oklahoma communities can share $7,218,860 in matching Federal funds over the next 5 years for improving sewage treatment facilities. Other provisions include (1) authority to hold additional water in reservoirs to maintain streamflow during dry periods, and (2) charging up to 30 percent of a reservoir's cost to future municipal water needs without requiring cities to make immediate contracts in advance of such needs.

As the only Senator serving on both the Public Works and Finance Committees I had two opportunities to work on the highway bill. It gives Oklahoma $195,100,000 in matching funds for fiscal years 1963–66. Moreover, an amendment Senator MONRONEY and I sponsored requires the Defense Department to repair State highways damaged in the process of certain military construction. Legislation I earlier sponsored enables relocated roads around the new lakes to be built according to present needs, not as they were.

HOUSING ACT PASSED

Another measure passed by Congress this session was the Housing Act. It will aid both the young and the elderly in our State.

One provision makes $246,875,000 available for loans in constructing college dormitories in 1962 with a reduced interest rate of 3⅛ percent. During this session loans totaling $5,873,000 were made to six Oklahoma educational institutions. Another provision of the act gives the same interest rate and makes more money available to private, nonprofit sponsors—such as church groups— for building housing for the elderly.

Planning funds amounting to $106,000 were allocated toward construction of two new State park lodges on the Eufaula Reservoir.

This session's farm program was worked out with the help of thousands of progressive farm leaders. Under the plan, Oklahoma's 1962 wheat allotment will be nearly 5 million acres. Based on an average yield, the new price support of $2 per bushel, is expected to give Oklahoma wheat farmers about 10 percent more income next year. The feed grains measure is expected to add to farmers' purchasing power by about 10 percent of this year's feed grain production value.

The reopening of Camp Chaffee at Fort Smith, Ark., near the end of the session brings needed jobs to eastern Oklahoma. But military bases within the State itself will add more than $250 million to Oklahoma's economy next year through civilian and military payrolls, according to the Department of Defense.

ORDNANCE WORKS OBTAINED

Earlier in the report I referred to the hard work, resourcefulness, and energy of Oklahoma citizens in the successful efforts of the session. The negotiations for the Oklahoma Ordnance Works at Pryor for a big, new industrial site is a good example. Cooperating with the Governor and other State and local officials, the delegation was able to get the General Services Administration to release the facility for $1,700,000. With 10,000 acres of land, a complete railroad network, and many other improvements, this will be a real magnet for much industrial growth.

The delegation teamed up to help Tulsans obtain a new mission for the federally owned aircraft plant operated by Douglas in Tulsa, and the delegation assisted the Cherokees in gaining payment of their $14,769,000 claim which had been pending for 10 years.

Teamwork by the delegation and citizens in the lead and zinc areas resulted in passage of the long-sought bill providing production payments for small mine operators.

The Oklahoma delegation also had unlimited backing on two other major projects—the statewide Community Development Clinic at Oklahoma City and the first National Conference on Peaceful Uses of Space at Tulsa. The development clinic drew 1,500 Oklahomans interested in improving their communities. The space conference introduced hundreds of America's top scientists and industrialists to the advantages of our great State.

Of utmost importance to me, too, was the average of 1,000 letters a week delivered to my office during this session. Assisted by my staff, I have tried to give prompt attention to each letter. And, I want to remind everyone in Oklahoma that the purpose of my office is to serve you. Please do not hesitate to call on me if you think I can be of some assistance.

And, finally, I want to thank each individual citizen—civic leaders, State and local officials, the press, radio, and television—for your splendid cooperation and assistance during the 1st session, 87th Congress.

Sincerely,

ROBERT S. KERR.

Report to the People of My District

EXTENSION OF REMARKS

OF

HON. ALFRED E. SANTANGELO

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 27, 1961

Mr. SANTANGELO. Mr. Speaker, at the conclusion of each session of Congress I have made it a practice to report to the people of my district on the accomplishments, as well as the shortcomings, of Congress. I believe that an informed public is an intelligent public.

This is my report for the 1961 session. I urge my constituents to read it carefully, to learn what has been achieved and what still remains to be done. Above all, I want them to know that I have always sought to represent the interests of all the people of my district, regardless of race, color, creed, or political affiliation.

THE 1961 SESSION OF CONGRESS

This year's session of Congress was not only one of the longest, lasting nine full months from early January to the end of September, but it was also one of the most hard-working and productive sessions in the last 10 years. Under the vigorous leadership of President Kennedy, we have enacted many important and far-reaching measures of the new administration's program, which is designed to meet the challenges of the 1960's. Congress passed most of the legislation promised in the Democratic platform of 1960 and requested later by President Kennedy. We proved that the Democratic Party is truly concerned with the interests of the people and is making a serious effort to deal with pressing social and economic problems which have been neglected during 8 years of Republican administration.

The major task faced by President Kennedy was to rebuild our military strength and to restore our international prestige. In this respect, Congress gave him full cooperation by providing the necessary funds to strengthen our national defense to meet the aggressive activity of Soviet Russia in various parts of the world. We undertook new programs to aid the Latin American nations, and we also adopted a more efficient foreign aid program to strengthen our allies and to help the underdeveloped areas of the world.

The Kennedy administration was also faced with many problems at home which required legislative action by Congress to stimulate our lagging economy. Again, Congress cooperated by adopting legislation to relieve the hardships of unemployment, to increase the minimum wage and extend coverage to more millions of workers, to help the chronically depressed areas, to develop our natural resources, and to combat the recession in other ways. Congress also enacted liberalizing amendments to the Social Security Act providing more benefits, new programs for housing and slum clearance, aid to dependent children, control of polluted waters to protect our water supplies, combating crime and juvenile delinquency, and others. Some of these had been previously vetoed by former President Eisenhower, but I am glad that President Kennedy has signed them into law.

Needless to say that I have strongly supported the President and his program in Congress. I fought for progressive and liberal measures or amendments on every occasion. The administration and the Congress were faced with grave responsibilities at home and abroad to an extent greater than ever before, and I

did everything within my power to share in those responsibilities. As a member of the House Appropriations Committee I was in the midst of it all, and we worked harder and longer than ever before.

ACHIEVEMENTS OF THE 1961 SESSION

Among the more important achievements of the 1961 session, which I supported, may be listed the following measures:

Unemployment compensation: This act provided for an additional 13 weeks of unemployment compensation benefits to those who have exhausted their unemployment benefits. It helped alleviate the severe hardship of unemployed workers and their families.

Aid to dependent children: A sum of $200 million in aid over a 14-month period was approved to help nearly a million children of unemployed parents who were suffering great hardship.

Area redevelopment: This is a special assistance program to help urban and rural areas which have a high unemployment rate or a low income. It provides loans to these areas to build new industries and create jobs. Many of my constituents who are of Puerto Rican origin will be pleased to know that industrial areas in Puerto Rico will be aided under this program.

Minimum wage: This is one of the most important acts adopted by Congress this year which is providing wage increases to 27½ million workers in the country. Minimum hourly wage rates are increased from $1 to $1.15 this year, and to $1.25 in 1963. In addition, minimum wage coverage is extended to 3.6 million more workers—the first such expansion since the law was adopted in 1938. I was in favor of increasing the minimum wage to $1.25 this year and introduced a bill for the higher rate, but this was the best we could get.

Social security benefits: Liberalized benefits were enacted which have already increased social security payments for 3.7 million elderly people. The new law also provides retirement for men at the age of 62—women already have this privilege—it increased benefits for widows by 10 percent; it raised the earnings ceiling for retired people; it also provides other assistance for the needy aged, the blind, and the disabled.

Housing program: This is a comprehensive housing measure, the first of this kind to be passed by Congress in the last 12 years. It provides nearly $5 billion in loans and grants for urban renewal, public housing for 100,000 low-income families, housing for moderate-income families, for elderly people, college housing; also home improvement, liberalization of the FHA mortgage insurance program, urban mass transportation systems and other community facilities.

Milk program for children: The special milk program for children, which is of great benefit to many needy and undernourished children, has been extended for another year and a sum of $105 milllon was authorized. This is $10 million more than last year, so that more children will benefit from it.

Crime and delinquency: Three new major laws were enacted to combat gambling, rackets, and other organized crime; 3-year program was started to combat juvenile delinquency, the first such program undertaken by the Federal Government; also 73 new Federal judgeships were created which will reduce the huge backlog of court cases.

Water pollution control: A 5-year program was approved to help communities protect their water supplies, construct plants for waste treatment, and reduce pollution of rivers and harbors.

Other measures: There were many other measures adopted, among the more important being: a program to convert saltwater into fresh water to meet future water shortages; modernization of the Nation's airports; additional funds to complete construction of the 41,000-mile Interstate Highway System; training more nurses; extension of the home loan program for World War II and Korean veterans; a program to help construction of nursing homes for the aged, improving hospitals and other health services; extension of the National Defense Education Act and also extension of the school program to aid federally impacted areas.

The record of achievements in the field of international affairs and the security of the Nation during the 1961 session is equally impressive. We hope and trust it will bring the desired results in safeguarding our Nation and the free world and in raising our country's prestige to new heights. Among the more important steps taken by Congress in enacting defense and foreign policy legislation may be listed the following:

Foreign aid: Congress voted over $4 billion for military, economic, and technical aid to our allies and to underdeveloped countries of the free world. Included in the program is authority for the United States to extend long-term aid over a 5-year period for economic and development projects, but Congress will have to review and approve such appropriations annually. This should be of help to many countries in planning ahead, raising their standard of living, and resisting Communist expansion.

Peace Corps: This provides for direct participation by American volunteers in helping people in less-developed countries. Some 2,700 young Americans will serve under this program to help such nations develop their resources, education, and health services.

Defense funds: Congress voted an increase of $6 billion in defense budgets to strengthen the Nation's security, which includes increased missile programs, a stepped-up bomber alert, increased Armed Forces personnel, and other steps.

Civil defense: Congress voted a big expansion in civil defense to provide the people of America with the first serious shelter program in the event of emergency.

Space exploration: Funds to enable the United States to take the lead in space exploration and achievement were doubled, including the first steps toward putting a man on the moon.

Alliance for progress: A fund of $600 million to help Latin American countries and to improve U.S. relations with those countries was set up by Congress. This program is known as alliance for progress and was proposed by President Kennedy. It seeks to encourage social and economic reforms in Latin America and eliminate the threat of a Communist takeover such as occurred in Cuba.

Arms control: For the first time, the United States has set up a new arms control and disarmament agency, whose task it will be to seek ways to curb the arms race. It will be a planning and research organization.

Food for peace: Expansion of this program was urged by President Kennedy and approved by Congress. It provides for the sale of our surplus agricultural products at reduced prices to friendly nations, and also to use some of these commodities to help feed needy people in underdeveloped countries.

This is not the complete record of achievements. There are others too numerous to mention here; but it is a record of which the entire Nation should be proud.

UNFINISHED BUSINESS

I do not want to appear partisan in stressing only the achievements. There have been some failures and shortcomings, too, which I trust the 2d session of the 87th Congress will correct in 1962. I prefer to call them unfinished business, and among the measures on our list of unfinished business which are of paramount importance are these:

Medical care for the aged: We must provide adequate medical care for the 17 million elderly and retired Americans, and this care should be set up under the social security system. President Kennedy has termed this legislation of "highest priority" and I look to its enactment in 1962.

Aid to education: Aid to our schools remains a major domestic problem, which also affects the welfare and security of the Nation. We need adequate schools, more classrooms, and better paid teachers, and such programs should include aid to public and nonpublic schools without discrimination. This is purely an educational matter and religious isues should not be brought into it.

Civil rights: The only civil rights action taken by Congress in 1961 was to extend the Civil Rights Commission for another 2 years, but this is not sufficient. We need effective legislation to eliminate every vestige of discrimination, whether in education, in employment, in voting, in housing, or in other fields. We must assure all our citizens true equality and opportunity as guaranteed under the U.S. Constitution.

Tax reform: A general tax revision is needed to close loopholes benefiting the rich, create new incentives for business, and lighten the tax burden for the poor.

Manpower retraining: This is a program for training or retraining jobless workers displaced by automation, so that they can obtain employment in other industries. This should be of great help in reducing unemployment.

There are a number of others, which I shall list briefly: public works projects in areas where unemployment remains

high; increasing medical school facilities and providing scholarships for medical students; changes urged by unions to liberalize labor laws; improvement of foreign trade policies; maximum development of our natural resources; protection for consumers against high prices in drugs, high interest on loans, and consumer products.

LEGISLATION WHICH I INTRODUCED OR COSPONSORED

The following are some of the more important bills which I introduced or cosponsored during the 1961 session:

Amend the immigration laws so as to base quotas on the 1950 census, make available unused quotas to countries whose quotas are oversubscribed, reunite families, and other reforms. An immigration law was enacted which permitted the approved second and third preference cases to be considered nonquota. Thus, families in these categories will be reunited.

Alleviate unemployment conditions in economically depressed areas. I was a cosponsor of this bill which was enacted and steps are now in process to help such areas.

Allow taxpayers a deduction up to $1,000 from gross income for educational expenses for themselves or dependents.

Designate March 9 of each year as "Amerigo Vespucci Day," in honor of the Italian explorer after whom "America" was named.

Establish a U.S. Travel Service in the Department of Commerce to encourage tourism to the United States and foreign trade. I was a cosponsor of this bill, which was enacted and a bureau has been set up.

Make Federal grants to the States in order to provide facilities and services for the day care of children outside of their homes.

Provide assistance for projects to develop techniques for the control of juvenile delinquency. This bill, of which I was a cosponsor, was also enacted.

A resolution that the United States oppose the seating of Communist China in the United Nations.

Authorize the construction of more low-rent public housing units. By reason of the fact that New York City has availed itself of the provisions of the public housing program, the allowable units were completely used up. My proposal, which was adopted, will enable the city of New York to continue to build additional new low-rent public housing projects.

Provide an additional $2,400 exemption from income tax for amounts received as annuities, pensions, or retirement benefits.

Provide hospitalization, nursing home and other health services to the aged under the Social Security System.

Establish a U.S. Disarmament Agency for World Peace and Security. This bill, which I cosponsored, was adopted and such an agency is now being set up.

Require the disclosure of finance charges in connection with extensions of credit. This is known as "truth in lending" bill, and is aimed to protect consumers against high interest rates.

Establish hospital facilities and post-hospital care for the treatment and rehabilitation of narcotic addicts.

Authorize the Secretary of Health, Education, and Welfare to make grants to the States to assist in the provision of facilities and services for the day care of children.

CONCLUSION

Due to space limitations, it is impossible for me to discuss other legislation and issues of interest to the people of my district. Whenever called upon, my staff and I have always been ready to help them with their personal problems. These services will be continued to my constituents in 1962. I am very grateful for the many letters of appreciation for my efforts and the assurances of continued support.

In addition to my office in Washington, I also maintain offices in the district which are located at 1484 First Avenue and 208 East 116th Street. Constituents are welcome to come to either office and to discuss their problems. We shall do all in our power to help them. If they cannot come, they may write to me at my office in Washington, 1507 New House Office Building. My very able and devoted staff in Washington and New York consists of the following: Melba J. Coutsonikas, Max Feigin, John F. Aiello, and Modesto Munoz.

St. Louis Blue Cross-Blue Shield Continues Coverage for Retirees

EXTENSION OF REMARKS
OF
HON. LEONOR K. SULLIVAN
OF MISSOURI
IN THE HOUSE OF REPRESENTATIVES
Tuesday, September 19, 1961

Mrs. SULLIVAN. Mr. Speaker, some time ago—on May 15—I inserted in the Appendix of the CONGRESSIONAL RECORD some remarks based on a letter I had received dealing with the question of hospitalization and surgical insurance for retirees and their families. The woman who wrote to me had protested that when her husband went on retirement at age 65, the health insurance coverage he had carried while working was canceled. When the couple applied to Blue Cross-Blue Shield for nongroup coverage, the husband was accepted but the wife was turned down because of a prior health condition.

I pointed out in my remarks that the St. Louis Blue Cross-Blue Shield program was one of the first in the Nation to extend coverage to people over 65. But I called attention to the particular kind of problem raised by the case I cited.

Mr. Speaker, I am now happy to report that after investigating the facts in the specific case which prompted my remarks of May 15, Mr. T. R. O'Brien, executive secretary of the Missouri State Medical Association, to whom I gave the name of the family involved, has advised me that the couple never had coverage under Blue Cross-Blue Shield, but was covered by a commercial carrier while the husband was employed.

Mr. O'Brien advised me that anyone who has Blue Cross-Blue Shield coverage under the St. Louis plan as an employee can continue coverage after retirement on an individual basis, with such memberships "normally subject to cancellation only for nonpayment of dues."

The case I referred to in May reflects the hardships of many retired workers and their dependents when health insurance coverage ends with retirement. But I am glad to have the assurance that this does not apply to anyone who, while employed, is covered by the St. Louis Blue Cross-Blue Shield plan.

Goals of the New Frontier: Amendments to the Social Security Act

EXTENSION OF REMARKS
OF
HON. AL ULLMAN
OF OREGON
IN THE HOUSE OF REPRESENTATIVES
Wednesday, September 27, 1961

Mr. ULLMAN. Mr. Speaker, during the election campaign last year and since taking office this year, the Democratic Party and President Kennedy have made it clear that one of the basic goals of the New Frontier is to broaden and extend the social security program—to make it more adequate to the problems and the needs of the sixties. In this first year of the Kennedy administration, we have made real progress toward that goal, particularly in the area of improving existing provisions of the law.

The need for these changes was summarized by the President in his message of February 2 when he noted that the average retired worker's benefit was only $74 a month, and that a majority of these people have no other significant income. As the President said:

> We must not permit the benefits of retired workers and their families to lag behind rises in living costs; we cannot decently exclude our older population from the general advances in standards of living enjoyed by employed workers.

To meet these needs, the Kennedy administration recommended five changes in the present program to increase the minimum benefit level, expand coverage under the act, permit optional retirement at age 62 by men as well as women, increase the size of widow's benefits, and broaden protection under the disability program added to the act in 1960. The amendments enacted by the Congress, while not meeting fully the President's recommendations, are substantially in accord with them and, as I have indicated, represent real progress toward the goal of updating this basic social insurance program to fit changed and changing conditions. Let me review briefly the changes which we have made.

First, the minimum monthly benefit has been increased from $33 to $40. It is estimated that more than 2 million

people will benefit from this change during its first year of operation, and it should be emphasized that these are the people who most need help—the people who, in too many instances, have been subsisting below the minimum standards of health and comfort.

Second, we extended coverage of the social security program by liberalizing the requirements for achieving insured status. This change brings under the act an estimated 170,000 new workers in the first year and is of particular importance to those whose most productive periods were in occupations not covered by the program in its earlier years.

Third, we provided a 10-percent increase in the level of benefits going to widows. Again, this is a change which works to help those who have been most disadvantaged. A recent survey of the economic situation of our older citizens showed that widows have less retirement income than either single persons or retired couples. An estimated 1½ million women will benefit from this long overdue change in its initial 12 months of operation.

Fourth, increased flexibility has been added to the social security retirement program by the change we enacted giving men workers the option of retiring with somewhat reduced benefits at age 62. This change was in line with one provided earlier for women workers.

Fifth, the Congress this year modified the ceiling on outside earnings of retired persons. While recognizing that there is substantial sentiment in favor of greatly increasing the outside earnings allowance which the act utilizes as a test of retirement, it must be remembered that this type of change can be a costly one, which would require a further substantial increase in contributions to the trust fund. The modification worked out by the Congress raises from $1,500 to $1,700 the level of outside earnings which a retiree can have with only $1 of benefits deducted for each $2 earned beyond the basic $1,200 annual earnings limitation.

While the Congress did not act on President Kennedy's recommendation for a broadening of the disability program's coverage, we did extend until June 30, 1962, the deadline for establishing eligibility under this program. This assures more adequate time for workers disabled for many years to learn of the provisions of this relatively new program and to seek benefits under it.

Finally, it should be noted that continued actuarial soundness is assured for the trust fund by a raise in the payroll tax rates to cover the costs of these improvements. The cost is a modest one, amounting to only one-fourth of 1 percent of annual wages up to $4,800, evenly divided between employers and employees. The benefits provided are great and become even more meaningful when we think of them, not just in terms of dollars and cents, but in terms of people trying to live out their years of retirement in dignity and some measure of comfort.

Mr. Speaker, many of us would like to have seen the Congress enact amendments to the Social Security Act which would go even further toward our goal of meeting the increased needs of our retired persons. We have before us as unfinished business the President's separate recommendation for a program to help social security retirees meet the costs of hospital and nursing home care. As noted before, further improvements in the disability benefit program are also warranted. At the same time, the improvements which I have reviewed bring us measurably closer to a social security program which fully meets the challenge of the sixties. They are part of a record of achievement as well as reminders of still-unfinished business.

Highlights of Legislative Accomplishments During the 1st Session of the 87th Congress

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EXTENSION OF REMARKS

OF

HON. JOSEPH P. ADDABBO

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 27, 1961

Mr. ADDABBO. Mr. Speaker, as a freshman Member of Congress, I am proud of the accomplishments of the 1st session of the 87th Congress. That an outstanding and enviable record was achieved is indisputable, if one is familiar with the real facts.

This Congress has gone a long way, in a few short months, in enacting beneficial legislation for all the people of our country. We have seen the tide of recession turned back with increased employment, and we have seen our gold reserves increase from a minus percentage to lofty heights in plus percentage.

I have embraced the responsibility and the privilege to work with our President on many of these programs—each designed to benefit our Nation. Understandably, my assignment has required long hours of hard work not only on problems of the national and international fronts, but also our own local topics, which also received the priority importance they all demanded.

At this point, in keeping with my planned intentions, I wish to set forth some of the highlights of legislative accomplishments in this session, with my brief analysis of each one.

MINIMUM WAGE INCREASE

Labor Day, 1961, brought pay raises totaling an estimated $536 million to more than 27½ million employees. An additional 3,624,000 workers coming under the new law will receive a minimum hourly wage of $1 to be increased to $1.14 in 1964 and $1.25 a year later. Those already covered by Federal wage laws will be raised to $1.15 this year and to $1.25 in 1963.

While the new law may not be all that some of us desired, it represents a compromise which was the best we could get and a real victory over those who fought to maintain the status quo. The new law does provide at least some assistance to our underpaid workers, which they desperately needed in order to exist in view of present alltime high living costs.

INCREASED SOCIAL SECURITY BENEFITS

More than 3.7 million Americans are now receiving bigger social security checks under the new Social Security Act Amendments of 1961. One out of every four persons drawing social security received the automatic increase under the liberalized benefits enacted by this session of Congress. The new law also reduced the optional retirement age for men to 62—with reduced benefits—increased widows' benefits by 10 percent; raised the earnings ceiling for retired persons; increased the Federal share of State programs for the needy, aged, blind, and disabled; and liberalized the law in other respects.

Again, this law does not provide all the needed benefits a great many of us would like to see furnished. It does, however, represent a step forward—a step we know will provide the impetus to work toward the next. It was my hope that the Social Security Amendments of 1961 would include the provisions of my bill, H.R. 4807, which provides that an individual's entitlement to child's insurance benefits shall continue, after the child attains age 18, for so long as he is regularly attending high school or college. This is an important and much-needed provision, and I shall continue to work for its enactment.

HOUSING ACT OF 1961

This is the most comprehensive housing measure passed by Congress in 12 years. It provides assistance, through Federal loans and grants to cities, towns, and rural areas for urban renewal, elderly housing, farm housing, college housing, urban mass-transportation systems, home improvements, community facilities, to list some of the benefits.

ADDITIONAL MAJOR DOMESTIC LEGISLATION, DEFENSE AND FOREIGN POLICY LEGISLATION

The Temporary Unemployment Compensation Act provided for repayable Federal grants to States to provide 13 weeks' additional unemployment compensation benefits to unemployed workers exhausting their benefits. This helped alleviate the severe hardships of unemployed workers and their families during the recession period.

The bill providing aid to dependent children of needy unemployed parents was of great help to the children of our Nation who were suffering untold hardships and deprivations. Another law also extends the special milk program for children.

The veteran's home loan program was extended; other laws beneficial to our veterans were passed.

I also voted for the extension of the Civil Rights Commission; the bill providing for the Peace Corps; the bill to assist our youth and help control juvenile delinquency. I was happy to vote out of my committee and vote on the floor of the House for the longevity pay raise bill to assist our postal workers.

We also passed the National Aeronautics and Space Act amendments; a bill providing increased authorization for the food for peace program; funds for inter-

American social and economic cooperation program were provided. Numerous defense authorizations and appropriations measures, as recommended by President Kennedy, have also been enacted by the Congress.

While not of great interest nationally, possibly, but of primary interest to a great majority of my constitutents, we have taken a long step forward in our search for a solution to the noise problem of low-flying aircraft over residental areas. The passage of legislation, with which I associated myself as a co-author and strong advocate, authorized and directed the Committee on Interstate and Foreign Commerce to conduct a full and complete investigation and study of the problems involved in, and measures to minimize or eliminate, aircraft noise nuisances and hazards to persons and property on the ground. However small the progress may seem, it it a forward step and it has given those living in the vicinity of large airports reason to hope for a better tomorrow. American technology can conquer and solve any problem. In my opinion, this investigation will reveal that it is possible to minimize aircraft noise and we shall be able to set criteria. Once the criteria is set, industry will find the way to meet the criteria. It is difficult to reach a goal when the goal hasn't been specified. This investigation and study, I am confident, will succeed in setting forth the goal and engineering technology will do the rest. However, we must be ever alert to insure that appropriate steps are taken to protect the people should industry fail to do what is necessary on its own.

Each Congressman has his own projects which may not be far-reaching but are nevertheless important. It has been my pleasure in recent days to arrange for the famed Fanfaren Korps from Düsseldorf, Federal Republic of Germany, to perform on the steps of the Capitol at noon on Friday, September 29, 1961. I invite my colleagues to be present and welcome this group to our country. The Honorable Edward R. Murrow, Director, U.S. Information Agency, will welcome them on behalf of President Kennedy. The impression this fine group of young people take back with them to their native land can be of great benefit in our relations with Germany. Quite often this type of thing gets to the individual citizen the impressions we desire when high-level diplomacy cannot.

DISTRICT CONGRESSIONAL OFFICE

It is not possible here to discuss all the legislation and questions of importance to my constituents. I have represented them to the best of my ability in Congress; I have been anxious to help them whenever called upon, concerning their personal problems. It has been gratifying to receive letters expressing their confidence in me and assuring me of their continuing support. I shall continue my best efforts in their behalf.

I maintain a Queens congressional office at 93–11 101st Avenue, Ozone Park, telephone Virginia 9–6625, which is open daily. I invite my constituents to call there and discuss any problems or requests they may have. I am pleased to have them write to me at my Washington office, 1720 New House Office Building, and urge them to visit my office when they are in the Nation's Capital.

Goals of the New Frontier: Education

EXTENSION OF REMARKS
OF
HON. FRANK THOMPSON, JR.
OF NEW JERSEY
IN THE HOUSE OF REPRESENTATIVES
Wednesday, September 27, 1961

Mr. THOMPSON of New Jersey. Mr. Speaker, in his message to the Congress on education, President Kennedy stated that our goals in this area must be "a new standard of excellence in education—and the availability of such excellence to all who are willing and able to pursue it." More specifically he pointed out that "we must give attention to both teachers' salaries and classrooms, both college academic facilities and dormitories, both scholarships and loans, both vocational and general education."

Had Congress accepted the legislative proposals made by the President, or, indeed, had it accepted any of the other more modest proposals that followed during the course of this session, great strides could have been made toward the realization of the goals stated by the President—goals which themselves could not conceivably be the subject of partisan or political dispute. But in a blazing display of political factionalism the House of Representatives not only rejected these proposals, it refused even to discuss the subject.

A number of Members who voted against debating the bill that was brought to the floor attempted to avoid their share of the responsibility for blocking Federal assistance to education by complaining of the procedure that was employed. The procedure, known as Calendar Wednesday, has existed in the rules of the House for over 50 years, and it was chosen, of course, because it was the only feasible means of allowing the entire membership to express their position on Federal school aid. It is significant to note that those who complained of the procedure were not so vocal when a bare majority of the Rules Committee precluded the use of more familiar procedures. Furthermore, had the House voted to consider the bill that was called up on Calendar Wednesday, there would have been ample time for discussion of the administration's proposal and opportunity for the introduction of amendments or substitutes. The only fair conclusion that can be drawn is that those who voted against debating the school bill are opposed to Federal aid to education.

This conclusion would seem absolutely fair but for one thing: only shortly after the House blocked consideration of the school bill it voted overwhelmingly to extend for 2 years the so-called impacted areas law and the National Defense Education Act—both of which are undeniably Federal aid to education. Federal aid to school districts that are "impacted—that is, overcrowded because of Federal activity in the locality—is really only a little less Federal aid than the administration proposed.

Only a relatively few of the Nation's school districts receive impacted area aid, and the needs of those districts that do not receive this aid are equally critical and immediate. More than 2 million children attend school in unsatisfactory facilities, and in the next 10 years some 600,000 new classrooms will be required, at an average cost of $40,000 each. The average salary of American teachers is about $4,800 annually, and we now have a shortage 250,000 public-school teachers. If the impacted areas program is to be continued, therefore, it should be continued as part of a comprehensive, nondiscriminatory Federal effort. As President Kennedy said in his education message, "one-sided aid is not enough."

The stated goals of the New Frontier in the field of education—attaining new standards of excellence and making this excellence available to those who are willing and able to pursue it—are not really the goals of a political party. They are the goals of an enlightened society that understands where the real sources of progress and strength lay. Reasonable men may differ over the means to attain these goals, but the time has arrived when these differences must be honestly debated and put to the test of public opinion. The goals involved are too important for anything less.

Address of the Honorable George W. Ball, Under Secretary of State for Economic Affairs, at the Annual Meeting of the World Bank at Vienna

EXTENSION OF REMARKS
OF
HON. ABRAHAM J. MULTER
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Friday, September 22, 1961

Mr. MULTER. Mr. Speaker, the following address was given by the Honorable George W. Ball, Under Secretary of State for Economic Affairs, before the annual meeting of the International Bank for Reconstruction and Development, in Vienna, on September 19, 1961.

Mr. Ball is one of the most astute members of the new administration and his remarks are worthy of the attention of our colleagues.

The address follows:

ADDRESS OF THE HONORABLE GEORGE W. BALL, UNDER SECRETARY OF STATE FOR ECONOMIC AFFAIRS, AT THE ANNUAL MEETING OF THE WORLD BANK AT VIENNA

No one can study the annual report of the International Bank for Reconstruction and Development nor observe its operations throughout the past few years without the conviction that it has outgrown its name. The International Bank today is no longer merely a remarkable financial institution but a major instrument of human advancement. Under the perceptive and imaginative leadership of its President and other officers, its Executive Directors and its staff, it has

provided not only material help but wise counsel to nations both new and old, that are caught up in the great ferment that is sweeping the world.

The nature of this ferment is still difficult to comprehend. Its elements are political, economic, social, cultural, and scientific. It affects more than half of the world's peoples. It involves the release of massive forces through a kind of seismic social convulsion—the crumbling of old systems and the creation, often in violence and blood, of new nations and institutions.

What we are experiencing today is distinct from the waves of political revolution we have known at earlier times. That half of the world's population embroiled in this ferment is asking for more than national independence. Most of the peoples involved in this surging movement have already secured the juridical right to rule themselves. But all too often this is only the beginning of the task of building the essential institutions of statehood.

The people in what we have come to call the less developed areas of the world are giving insistent voice to many and varied demands—demands which we should not, indeed which we cannot, ignore.

They are demanding access to the basic material requirements of life—food, clothing, and shelter—which previous generations have known so meagerly. They are demanding other material comforts and conveniences that are available to the peoples of the more developed societies. They are demanding personal freedom and dignity, better education for themselves and their children, and the opportunity for cultural and spiritual growth. Finally, they are demanding the right to live out their lives in peace and security.

Quite obviously, all these demands cannot be satisfied quickly even by the most far-reaching and successful programs of economic development. Yet economic development remains an indispensable element in their fulfillment. If the revolution which we are witnessing today is to succeed—and its frustration could mean only catastrophe—then the more developed nations must provide, through public assistance and private investment (and I do not underestimate the importance of private investment), that measure of resources needed to transform and modernize at least half the globe.

All of this has been said before and much better. But today I want to emphasize two considerations that are not always adequately stressed.

First is the element of time and urgency. Most of the older industrial societies achieved their present levels of economic and technical development over a period of centuries, but the less developed nations of today will not wait. Two billion people are no longer prepared to accept the miserable conditions of life which their ancestors patiently endured. They are persuaded that the vaulting technology of the modern world offers the physical means by which centuries of stagnation can be overcome.

The second element that complicates our task is our lack of reliable insight into what we are doing and where we are going. We know very little about the anatomy of economic and social growth. An abundance of preconception masquerades as principle; an abundance of theory substitutes for experience. Yet the lessons implicit in the history of industrialized societies are largely irrelevant. For we are dealing with disparate cultures, with violent emotional impulses, and with explosive political pressures. We find ourselves constantly moving into new terrain; we must experiment, appraise, and try to learn by doing, without losing our forward momentum.

It is here that the IBRD and its affiliated institutions are making a special contribution—the contribution of experience patiently acquired, thoughtfully appraised and incisively applied. In a real sense the Bank has been a pioneer, moving with firm purpose through the tangled forest of economic development.

It is because of its willingness to depart from precedent that the Bank has evolved from being merely a lender of money to an institution that is playing a part in shaping the world revolution of development. In this process the Bank, through its varied initiatives, has contributed to our understanding of the process of development, and the means of encouraging development, far more than most of us realize.

The Bank, for example, has not been bound by any doctinaire commitment to the principle that the marketplace must be the sole arbiter of investment. Many less developed countries possess neither the institutional structure nor a sufficient entrepreneurial tradition to make this possible. If resources are to be injected into the investment stream in such a manner as to contribute most efficiently to economic growth then they must be employed systematically to build those basic elements of production—transportation, roads, powerplants, and factories—that are indispensable to the growth process. And this obviously implies a considerable measure of planning at the national level in which the state must necessarily take the lead.

The recognition of this paradox—that intelligent planning for a less developed economy may be essential to the progressive achievement of economic freedom as the society moves toward a higher level—has been implicit in much that the Bank has done.

At the same time, the Bank has come to understand that national planning is itself an esoteric art which most less developed societies cannot practice effectively without help and guidance. As an international organization bringing together the skills of many nations, the Bank has equipped itself to provide that guidance in ways that take into account the sensitivities of the developing countries.

Perhaps the most refined form of the Bank's activities in this connection has been the organization of consortia. In providing the leadership for consortia, the Bank has had an extraordinary opportunity to encourage, review, and criticize national economic plans. I am sure that few of us are fully aware of the amount of painstaking effort that has been expended in the leadership of consortia or of the quantity or quality of useful advice which the Bank's technicians have provided to the developing countries.

But the perfection of the consortium is not the only contribution which the Bank has made to the art and practice of national planning. It has created an Economic Development Institute to train senior government officials, and the management of the Bank has recently proposed a Development Advisory Service which the Executive Directors have approved. Through this Development Advisory Service the Bank may provide expert help in development planning on a continuous basis, through career-type personnel. It may establish resident missions, where requested, to assist in the preparation and execution of broad development programs. It may furnish technical advice and assistance in the actual administration of particular programs of lesser scope. This, it seems to me, is a useful extension of the Bank's activities and one which deserves our full support.

One reason why the Bank has succeeded in its diverse tasks is that it has perceived the need to adapt its tools to the requirements of the responsibilities it has undertaken.

The establishment of the International Development Association is, I think, a manifestation of this perception. The IDA is now an effective member of the community of international lending institutions. But, as we can see from its first annual report, the demands on the International Developmet Association are increasing. We may well need to face an enlargement of IDA funds in the near future.

With the facilities of IDA serving as a complement to its own, the IBRD should be able to increase its effectiveness. Yet action through international mechanisms such as the Bank and its affiliated institutions is, of course, only one phase of the massive effort that is needed to meet the demands confronting us.

The United States has long recognized that the economically advanced countries cannot fulfill their responsibility solely through their participation in the work of the Bank. During the last few months, my Government has been engaged in a major renovation and strengthening of its own arrangements for bilateral assistance. President Kennedy's new program, which the Congress has just approved, rests on two major premises.

The first is the same premise which has animated much of the work of the Bank—that sustained economic and social progress under conditions of freedom can be achieved only by regarding the development process from the point of view of the recipient nation as a whole. Development programs can best succeed where there is a determination on the part of the peoples to mobilize their own resources for the purposes of working out overall country programs in which each project is related to all other projects. Human needs are too acute and capital resources too limited for money to be devoted to isolated projects which contribute little to the total national economy of an underdeveloped country.

The other major premise which played a part in the development of President Kennedy's new program has been the conviction that the task of raising the level of life in the less developed countries is one which the economically advanced nations must share. It is an undertaking far beyond the resources of any one nation.

It was with this in mind that my Government has welcomed the initiative taken by the IBRD in the sponsorship of consortia. It is with this in mind also that we have become an active participant in the Development Assistance Group, soon to become the Development Assistance Committee of the OECD. This group will provide a means for systematic consultation to increase the total volume of resources for development and to improve their utilization.

We have great hopes for the new Development Assistance Committee. We are convinced that, as it gains experience, it can play an even more useful role. Yet, here also, we are moving in an area of empiricism and only time and experience will show exactly how the work of the committee will develop.

But I do want to make one point quite clear. The Development Assistance Committee is merely another tool for all of us to use in responding to the formidable demands imposed by the revolution of development. In helping to mobilize the resources of the industrialized countries through all appropriate mechanisms—including consortia under certain circumstances—it will be in no sense a competitor of the Bank. Its activities will be harmonized so as to supplement and complement the Bank's own most useful efforts.

The efforts of which I have spoken so far—bilateral, international and national—offer hope and encouragement for the future. Primarily they are concerned, however, with only a single aspect of the development process, the provision of technical services and the investment of external capital resources to insure economic growth.

Yet we all know that economic development cannot be an end in itself. It is merely one means—albeit an indispensable one—of satisfying human aspirations. Economic development is aimed ultimately at the achievement of broad humanitarian goals. But if those goals are actually to be realized we must face up to the uncomfortable fact that economic development will have to be accompanied by other political, social, cultural and economic processes—and this presents a major problem.

Economic development cannot serve its real purpose if its benefits are enjoyed exclusively by a wealthy elite, while the great masses remain in poverty. Nor can there be any assurance of lasting benefits from economic development in any nation where the government is the master of society and not its servant.

It is with respect to this point, I think, that the debate among the more advanced countries as to the most desirable system of economic and social organization is most often misunderstood, particularly in the less-developed nations. All too frequently the controversy is regarded as merely a dispute concerning the merits of governmental intervention in the economic processes of society.

Nothing could be further from the truth; the argument is far more fundamental than that. Every modern society—however advanced or primitive—takes for granted a measure of governmental control over the economy. The critical issue of our times is not "government control" but uncontrolled government. Where the people of any nation lack the power to choose their rulers, can criticize them only at personal peril and have no effective means of influencing their behavior, these people can easily be reduced to slavery, and there is no guarantee than any degree of economic development will actually benefit anyone except the rulers themselves.

A second major problem which we face stems from the fact that the successful achievement of our humanitarian objectives depends to a considerable extent upon the ability of economic growth to keep pace with demographic developments.

The "population explosion" has become a familiar term in recent years. Even so, its true dimensions are difficult to grasp. Some time this year, the three-billionth human being will be born. On the basis of a statistical average, 200 births occur every minute. It is also a stark fact of demography that the major portion of these births is taking place in the less-developed regions of the world.

The prevailing rate of population growth affects not only the net rate of economic advancement, but also the volume of resources and the nature of the national programs required to achieve rapid development. Even under the best of circumstances, the less-developed nations will fight a losing battle unless they can obtain, and use with maximum efficiency, a huge volume of capital and technical skills. In this context, the population explosion, if continued, will place an ever-increasing burden on the more advanced countries and on international lending institutions. It will place a burden as well on the developing countries, to achieve greater effectiveness in mobilizing internal resources for development.

The population problem must, of course, be taken into account in drafting national development programs. Areas with plentiful manpower may find it uesful to stress development activities of a labor-intensive nature. Nations with small populations relative to resources may more appropriately consider laborsaving activities. And the rate of population growth will, of course, require close attention to the proper balance between increasing the production of basic foodstuffs and quickening the pace toward industrialization.

Rapid population growth, therefore, conditions the prospects for achieving the true objectives of economic development. It is a problem intimately bound up with the social and cultural traditions—and inhibitions—of each particular country. It is a problem which, in all its aspects, calls increasingly for the exercise of the most mature wisdom. But while we cannot solve this problem here today we can at least define our goal. We want a world in which every birth is accompanied by a birthright.

There is a third major problem which is all too often neglected. In our preoccupation with the process of development at the national level we have given all too little thought, I fear, to the total economic impact of the development revolution on the world as a whole.

We can hardly expect the less developed nations to attain a level of self-sustaining growth if they are unable to earn a growing volume of convertible foreign exchange in world markets. Any program for economic development may become an absurdity unless it realistically takes account of world trading patterns and prospects.

There are several facets to this complex problem. First, the less developed nations must be able to find reasonably stable markets for the raw materials they produce. The foreign aid provided under even the most ambitious assistance program for a developing nation can be totally negated if that nation suffers an abrupt cyclical decline in the world market price for a major raw material it exports. This is particularly true of those countries which are dependent upon one or two basic commodities for the bulk of their foreign exchange earnings.

Quite apart from these cyclical fluctuations, we know also that certain primary commodities show a continuous tendency toward increasing output. As a result, the aggregate supply of these products may come to exceed any conceivable future demand at reasonable prices. Obviously, any development program aimed at increasing a country's capacity for producing commodities in world surplus will be self-defeating. In persistent surplus situations we must face the hard necessity of devising mechanisms, within a worldwide framework, to stabilize prices and production.

This is a problem which is greatly preoccupying the U.S. Government today. We are giving a great deal of thought and effort to its solution. But I must emphasize that it cannot be solved by the creation of special preferential systems between groups of primary producing countries and one or more industrialized countries. Such discriminatory solutions, in the long run, will only delay and complicate the working out of these problems on a worldwide basis.

Another aspect of this question which enters into the total equation of development planning is the impact of worldwide industrialization on world markets. As the less-developed countries progress toward economic advancement they will begin to move progressively into the edges of industrialization. Initially they may concentrate on the production of articles needed to meet the expanding demands of their own peoples. But if they are ever to be capable of continuing the development process through their own efforts—if they are to reach the beckoning goal of self-sustaining growth—then they must be able to sell their production on the world markets.

It goes without saying that in many of the developing nations the most valuable productive resource is low-cost labor. With a large reservoir of unskilled labor and a shortage of capital, it is only natural that such countries should tend to concentrate their production in labor-intensive industries. In an ideal world one might expect the industrial nations to move consciously toward more sophisticated production, leaving to the developing nations an expanding field for simpler manufactures. But this is not an ideal world and we all know well enough that the structural adjustments which this implies—even though marginal so far as most economies are concerned—cannot be easily or quickly accomplished.

I would expect, therefore, that we are only at the beginning of a process in which the governments of the industrialized nations must take the lead in providing an orderly opportunity for the expansion of markets for the production of the underdeveloped nations. In the absence of a great deal of will and effort and consultation among nations there is grave danger that the normal and necessary changes in trading patterns will be artificially distorted by restrictive reflexes on the part of major consuming nations. In that event the hope for a prosperous world in which resources are most effectively used would be cruelly delayed or frustrated.

In my remarks this morning I have recited a litany of problems. Economic development itself, the improvement of political and social organization, the population explosion, and the relationship of economic development to the world trading system—all of these are complex and difficult. Formidable troubles for an already greatly troubled world.

I would not suggest that the IBRD—nor any other national or international agency engaged in economic development—has the power to solve these problems. We cannot possibly assure a perfect adjustment between economic planning on the one hand and the relevant political, social, demographic, and commercial factors on the other. However, we must do our best to make certain that our plans and efforts in the field of economic development do not wholly ignore these vital problems—that we take account of them to the extent permitted by the dimensions of our knowledge and by the built-in limitations of the environment in which we work.

Development planning is complex, and those responsible for such planning may be forgiven a certain reluctance to accept the introduction of new complexities. But we shall do ourselves no service unless we make sure that those objectives are not frustrated by our indifference to forces and elements that are not included in the narrow definition of development planning. A great American philosopher once defined a fanatic as "A man who redoubles his efforts when he has forgotten his aim." The field of economic development demands men of talent and dedication but men for whom the overall humanitarian aim is always clearly visible.

It is with confidence this morning that we can commend the work of the Bank and its related institutions. Its past achievements are solid and enduring. Its future prospects are encouraging indeed, and I want to welcome all new and prospective members of the Bank and IDA represented here today.

I think we can say without qualification whatever that the Bank has become a vital instrument for preserving a peaceful and orderly world and for promoting the advancement of mankind toward higher plateaus of material and spiritual well-being.

Goals of the New Frontier: Natural Resource Conservation

EXTENSION OF REMARKS
OF
HON. CLEM MILLER
OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES
Wednesday, September 27, 1961

Mr. CLEM MILLER. Mr. Speaker, this 1st session of the 87th Congress has been one of solid accomplishment for conservation of our natural resources. Significant new laws have gone on the books and wise and timely investment has been made in new resource programs. As the result of hearings completed this session and other work accomplished in the committees, the stage is now set for further progress during the second session to begin next January.

This is a field of legislation which even more than most requires looking forward and moving forward. Idling in neutral gear loses ground. As President Kennedy said to the Congress last February 23 in his precedent-setting special message on natural resources:

Wise investment in a resources program today will return vast dividends tomorrow, and failures to act now may be opportunities lost forever.

And, he pointed out that—

Problems of immediacy always have the advantage of attracting notice—those that lie in the future fare poorly in the competition for attention and money.

Since last January the Kennedy administration and a Democratic-led Congress have taken natural-resources conservation and development machinery that was blithely idling in neutral and put it into forward-moving gears. Where the existing machinery was inadequate to the job to be done we have built new machinery. We will build more next session.

Let me review some of the conservation highlights of this session's record:

CAPE COD NATIONAL SEASHORE

Until this year, 14 years had passed and our population had increased by 37 million since the last major unit was added to our national park system in the continental United States. It had been 24 years and 52 million people since a portion of our rapidly vanishing ocean shorelines had been set aside for the recreational use of our people.

President Kennedy had been in office little more than a month when he expressed to the Congress his strong recommendation for establishment of the Cape Cod National Seashore. One hundred and sixty-five days later the Congress directed that the magnificent beaches of Cape Cod were to be set aside, forever, for all the American people. Later this year we provided a supplemental appropriation of $2,250,000 to permit the National Park Service to begin land acquisition.

WETLANDS CONSERVATION

This same session of Congress, working together with the new administration, enacted a measure that probably ranks as one of the five most significant pieces of wildlife conservation legislation in our history. It provides the means whereby the Fish and Wildlife Service can protect the vital "wetlands" required for conservation of ducks and geese before these opportunities are lost.

Public Law 87-383 (H.R. 7391)—known as the Dingell bill for its author, the gentleman from Michigan—authorizes appropriation of $105 million for acquisition of wetlands for waterfowl refuges over the next 7 years. These appropriations are to be repaid to the Treasury through the sale of duck stamps. In view of the increasing competition for land use and rising land prices, this "crash" program is our only reasonable chance of saving our great continental flights of migratory waterfowl. At the same time it will not be at the expense of the general taxpayer since the expenditures will be repaid by the hunters who buy duck stamps.

I believe this bill ranks with the Migratory Bird Treaty Act of 1918, the Migratory Bird Conservation Act of 1929, the Migratory Bird Hunting Stamp Act of 1934, and the amended Fish and Wildlife Coordination Act of 1958 as one of the most significant authorities yet enacted for conservation of wildlife resources.

WATER POLLUTION CONTROL

This same session we enacted significant amendments to the Federal Water Pollution Control Act. These provide effective new tools for conservation of fish and wildlife resources, which depend upon clean water, as well as for public health. The 1961 amendments are described in detail elsewhere in this series of remarks by the gentleman from Minnesota [Mr. BLATNIK], author of the bill—H.R. 6441, Public Law 87-88. In summary, the new amendments authorize additional water storage in Federal reservoirs for release during periods of low streamflow, extend Federal enforcement authority against polluters to all navigable waters, authorize regional laboratories for both enforcement and basic research, and increase the authorization for matching incentive grants to local governments for construction of State-approved treatment plants.

It is also significant that later in the session this major new conservation authorization was implemented by appropriation of $80 million—the new fiscal 1962 ceiling which it authorized—for the construction grant program.

OPEN-SPACE CONSERVATION

The Housing Act of 1961—Public Law 87-112; H.R. 7444—also broke new ground in the conservation field. It authorizes for the first time a program of Federal grants to assist local governments and States conserve permanent open-space land near urban areas for park, recreation, scenic, watershed, and other natural resource conservation uses while the open space is still available.

OTHER LEGISLATION ENACTED

Water pollution control in offshore waters was advanced when the Senate approved U.S. participation in the International Convention for the Prevention of the Pollution of the Sea by Oil. This treaty sets penalties for discharge of waste oil at sea within 50 miles of shore, thereby helping to prevent damage to fish and sea and shore birds and fouling of beaches and harbors. Subsequently, legislation to implement the treaty was enacted as Public Law 87-167—H.R. 1290.

Public Law 87-112—H.R. 7444—the Department of Agriculture appropriations bill—for the first time makes wildlife conservation practices eligible for agricultural conservation program (ACP) Federal cost sharing.

Public Law 87-61—H.R. 6713—the Federal Aid Highway Act of 1961—extends for 2 years the national program of billboard advertising control.

Public Law 87-27—S. 1—the Area Redevelopment Act—authorizes Federal assistance to help local governments build new public facilities, specifically including facilities with resource conservation values.

Public Law 87-152—S. 614—authorizes use of surplus grain for feeding of wildlife to tide them over in emergencies such as those caused by unusually severe weather.

Public Law 87-119—H.R. 1182—establishes the Wyandotte National Wildlife Refuge on two islands in the Detroit River, Mich., an important stopping and wintering area for waterfowl 10 miles south of Detroit.

Public Law 87-295—H.R. 7916—authorizes $75 million for accelerated research into problems of converting sea and chemically polluted waters for consumptive uses.

Public Law 87-328—House Joint Resolution 225—provides the consent of Congress to an interstate-Federal commission which will plan and operate comprehensive development of water resources of the Delaware River Basin.

UNFINISHED BUSINESS

Legislation to establish other national seashores progressed in both bodies. The Senate passed S. 476 and the House Committee on Interior and Insular Affairs completed hearings on H.R. 2775, companion bills to establish the Point Reyes National Seashore, 30 miles north of San Francisco, Calif. S. 4, H.R. 5013, and H.R. 5049, to establish Padre Island National Seashore in Texas, have been the subjects of hearings. Action is pending on S. 1797 and similar bills to preserve the Indiana Dunes; and on S. 992 and the differing H.R. 6258, to preserve portions of the Oregon Dunes.

S. 543, to authorize coastal and inland shoreline area studies and grants to the States for acquisition of shoreline areas, has been passed by the Senate.

The Senate passed S. 77, to establish the Chesapeake and Ohio Canal National Historical Park in Maryland. Action is pending in both bodies on S. 1760, to establish a Great Basin National Park in Nevada. Hearings have been conducted on H.R. 5712 and S. 1381, to establish the Ozark Rivers National Monument, and on H.R. 6289, to establish the Ozark Scenic Riverway.

The Senate-passed wilderness bill, S. 174, is pending in the House Committee on Interior and Insular Affairs and the Subcommittee on Public Lands is holding field hearings this fall.

H.R. 8520, which would help control Federal financial and technical participation in drainage of natural wet lands in waterfowl-nesting areas in Minnesota and the Dakotas, was passed by the House. Enactment would help eliminate the contradiction of the Department of Agriculture helping to subsidize drainage of such lands while the Department of the Interior is attempting to preserve them to conserve waterfowl.

H.R. 8181, to establish a National Fisheries Center and Aquarium, was passed by the House.

H.R. 7490, protecting sea otter, walrus, and polar bear on the high seas, was passed by the House.

Hearings were held on the Water Resources Planning Act, S. 2246, H.R. 8155 and others. The President's proposal would establish a framework for comprehensive river-basin planning.

H.R. 9084 and S. 2516, and others, introduced late in the session, would apply principles of multiple use to public lands administered by the Bureau of Land Management. Also pending for consideration next year: H.R. 6793, to establish the King Range Conservation Area in California. The bill would provide additional authority to consolidate "checkerboarded" public lands and provide orderly procedures for reconciling conflicting uses.

S. 404 and H.R. 8354, to establish a Youth Conservation Corps, were both reported favorably out of committee; floor action is pending.

The House Committee on Interior and Insular Affairs approved six cooperative Federal-State land and wildlife management areas in California which will result in improved habitat for fish and game of interest to sportsmen. The same committee established significant review procedures relating to withdrawal of public lands for military use.

The Congress this session granted the request of the Outdoor Recreation Resources Review Commission for an extension of time to submit its long-awaited report and recommendations to us next January—at the beginning of what promises to be another landmark session for conservation.

Broad National Support for Tax Rate Reform

EXTENSION OF REMARKS

OF

HON. HOWARD H. BAKER

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 27, 1961

Mr. BAKER. Mr. Speaker, it has been indicated that tax legislation, based on the administration's 1961 proposals, "will be the first order of business in the next session of Congress." I concur in the view that we should proceed promptly in the direction of tax revision but the type of revision I urge is a thorough reform of the existing tax rate structure.

During the hearings conducted by the Committee on Ways and Means on the administration's proposals, Treasury Secretary Dillon speaking particularly of the proposed investment credit said that this new tax provision was needed "so that we can secure a higher rate of growth, create jobs and stabilize the dollar both at home and abroad. There is not a moment to lose."

Mr. Speaker, I agree that "there is not a moment to lose," but I cannot agree that the tax program advanced by Secretary Dillon is the solution to our basic tax problems. During the 86th Congress and again this year I have been the sponsor along with my distinguished committee colleague, the gentleman from Florida [Mr. HERLONG], of legislation, H.R. 2031 and H.R. 2030, to reform Federal tax rates and methods. We also have been joined in sponsorship of this measure by other members of the Ways and Means Committee and of the House.

When this legislation was reintroduced in January of this year the gentleman from Florida and I told the membership of this House that "the slow and intermittent growth of recent years is proof that more Government programs and greater spending provides no offset for a capital-destroying tax structure." The Herlong-Baker legislation will remove the tax blocks to economic progress and mitigate some of the most destructive features of our tax laws.

Just a few weeks ago we emphasized that basic tax rate reform "would contribute to military preparedness. This is just as true in the present as in the past. A dynamic, growing economy provides the strongest base for our national security."

Mr. Speaker, during the committee hearings on the administration's proposals spokesmen for 35 organizations broadly representing all areas of the country and all walks of life were in agreement that there is an urgent need for basic reform of tax rates and methods. These 35 organizations, represented by 8 witnesses, urged immediate enactment of the Herlong-Baker legislation.

These witnesses testified in behalf of the U.S. Junior Chamber of Commerce, the Council of State Chambers of Commerce—which includes the commerce chambers of 28 States and localities—the National Small Business Men's Association, Wisconsin Manufacturers Association, Virginia Manufacturers Association, Manufacturers Association of Bridgeport, Conn., and the National Association of Manufacturers. A California college economist also endorsed the bills.

Excerpts from the testimony of these witnesses follow:

Morgan Doughton, president, U.S. Junior Chamber of Commerce:

Since 1959, this (House Ways and Means Committee has had before it the companion mills introduced by Representative HERLONG and Representative BAKER for comprehensive reform of tax rates and methods to enlarge incentives everywhere. The U.S. Junior Chamber of Commerce at its national convention in St. Louis in June 1960, concluded a careful study by passing a resolution which endorsed the principles of these bills as the proper solution to the Nation's tax and economic problems. In the intervening period, numerous Jaycee organizations throughout the country have inaugurated programs evidencing their continued support of these principles.

The action isn't unusual; the Junior Chamber of Commerce has consistently supported through its programs those fundamental objectives deemed basic to our survival and well-being. Through us, there are 200,000 young men in this country who are asking that they be given the opportunity to advance further the economic development of their country and themselves, through a more dynamic economy released to grow as a result of reformed tax rates and methods. It is our position that the Herlong-Baker legislation alone of all pending proposals cuts deeply enough into the problem to be legitimately called an answer.

Comprehensive tax rate reform is our best and only sure means of getting an increased rate of economic growth. As carefully calculated in the Herlong-Baker legislation, graduated rate reform over a span of years will have only a minor revenue effect: greater economic growth will produce a larger taxable base, sustaining Government revenues. If we are genuinely interested in securing greater economic growth, comprehensive tax rate reform is the means for achieving it.

The case for the proposals of Representatives HERLONG and BAKER is too strong to be denied * * * greater economic development is a challenge requiring the united efforts of 135 million people. The Herlong-Baker bills, leading to economic growth through the release of impediments to capital creation, would accomplish their objectives without disrupting the economic unity we so badly need * * * our belief in the Herlong-Baker approach is based on the recognition that it provides a start toward the realization of our ambitions in the strengthening of this Nation and in regard to our personal lives. * * * I would like to point out that the Herlong-Baker measure is a moderate program for reform of tax rates and methods.

The Herlong-Baker legislation would open up the maximum opportunity for these young men, some of whom may someday occupy the positions you gentlemen presently hold.

John L. Connolly on behalf of member State chambers of the council of State chambers of commerce including the State Chambers of Commerce of Alabama, Arkansas, Colorado, Connecticut, Delaware, Florida, Georgia, Idaho, Indiana, Kansas, Kentucky, Maine, Michigan, Missouri, Montana, New Jersey, Oklahoma, Pennsylvania, South Carolina, Virginia, West Virginia, and Wisconsin and the Empire State Chamber of Commerce—New York—Greater South Dakota Association, East Texas Chamber of Commerce, South Texas Chamber of Commerce, West Texas Chamber of Commerce, Lower Rio Grande Valley Chamber of Commerce—Texas—and the Salt Lake City, Utah, Chamber of Commerce:

I would not feel that I have done justice to the many State organizations which I represent before you if I left with you the impression that, in their view, depreciation reform alone will assure sound and sustained economic growth in this Nation. Much more must be done for adequate reform of our tax structure, and particularly with respect to the income tax rates.

By reform of the tax structure we do not mean a shifting of tax burdens from one group of taxpayers to another * * * we have in mind reform which would add to no one's tax burden and would benefit everyone.

We shall support all expenditures that are essential for defense but we think it is high time that some effective brake be applied to halt the rapid growth of nondefense spending * * * we recognize, of course, that your committee has relatively little control over the expenditure budget. But we believe it can gain a real measure of control through a major tax reform program. Such a program would involve far more temporary revenue loss than could be afforded in any one year, so it would have to be made effective gradually over a period of years. This forward scheduling of rate reductions is provided in the Herlong-Baker tax reform bills, the principles of which we strongly support.

By enactment of this type of tax reform program, with rate reductions scheduled progressively over several years, a strong competitor would be set up against powerful spending interests. Then we might have a fair test of whether the Nation needs and wants more spending or less taxes.

Frank M. Cruger, president of National Small Business Men's Association:

All the small businessman wants—and this has application to all businesses regardless of size—is the same opportunity that was available to commercial enterprises before overburdening tax rates were imposed. Equally as evident is the proposition that the kind of tax action undertaken is as important as the need itself. This is no time for dubious innovations.

Moreover there is no real need for protracted study of the situation as the administration said it was undertaking because both the basic problem and the solution are strikingly plain even to the untrained economic eye. The problem is the tax rates, and the solution is reform of the rates.

The reform must be thoroughgoing. It must make a frontal assault on all the capital robbing elements of the present system of tax rates and methods. A legislative program that is truly remedial must offer a sound and realistic method for releasing the tax brakes on capital supply and economic progress, without curtailing national defense and other essential governmental expenditures or forcing deficit spending.

And, every American can take a great measure of reassurance from the fact that a program fully meeting these demanding requirements is in legislative form and is before this very committee for consideration.

I refer to the bipartisan companion bills sponsored by two members of this committee—Representative A. S. HERLONG, JR., of Florida, and Representative HOWARD H. BAKER, of Tennessee. This is a sound and well seasoned approach which will undoubtedly provide large amounts of fresh capital for businesses of all sizes—small, medium, and large—thus permitting widespread and fast moving expansion of businesses that would step up the rate of economic growth.

By the very nature of their small size, small business offers an untapped potential for economic progress; for getting the unemployed back to work, for providing the new jobs needed to accommodate the vast numbers of new entrants to the work force. After all, as the saying goes, small business has nowhere to go but up and it will, in a surprising degree, if given the economic elbow room that the Herlong-Baker bills would allow.

I would like to point out that our Government is utterly and completely dependent upon the business system of this country, and if that system is unable to prosper under its (tax) burdens, then the Government will be unable to prosper.

Leslie K. Pollard on behalf of Wisconsin Manufacturers Association:

Despite my criticisms of the (administration's) investment credit proposal, I hope it is clear that I am not opposed to tax changes as a means of helping us to attain greater economic growth. On the contrary, I would urge, just as strongly as the President, the need for action now. Such action should take the form of freeing income which would otherwise be absorbed by taxation for the manifold requirements of economic growth. Such income should be left free to find for itself the particular applications in which it can contribute to growth.

What we need is greater resources for venturesome investments in new companies, new products, and new processes, as well as in the modernization and expansion of the plant and equipment of existing firms. The aim should be not to stimulate or to guide the process of business expansion but to return to it more material to work with.

Another objective of tax legislation should be to mitigate the serious impairment of personal and business incentives resulting both from the level of income taxes and the steep progression of personal tax rates. The very rapid rise in personal rates over the middle brackets is a barrier to individual economic progress as well as to growth of the economy generally.

In my mind, the most practical and most effective way of attaining these objectives is through the legislation sponsored by Representatives HERLONG and BAKER now before your committee.

There is one provision of this legislation which has a special appeal to me and which, I believe, should be of great interest to small business, keeping in mind that some 85 percent of all business units are unincorporated. This is the linking of the top rate of individual tax, when the legislation has been finally effectuated, with the top rate of corporate tax. There certainly is no reason why an unincorporated business, or for that reason any other individual taxpayer, should be subjected to a higher tax rate than a corporation.

In supporting the Herlong-Baker legislation, the Wisconsin Manufacturers Association is not unaware that it presents what some believe is a hard choice for political leaders. In common with businessmen everywhere, we are often dismayed when we are confronted by statements of our Representatives and Senators to the effect that it is unrealistic to attempt to contest the ever-increasing spending trend. There is, I am afraid, a great deal of buckpassing in this area. The spending always seems to be the fault of some other political element, but when the votes are cast it seems that such spending elements have acquired a lot of support among those who profess to lament the trend. Neither political party has much to be proud of in regard to its record on spending. It is unfortunate that the top leadership of neither party has to date made the decision that it will stand for the paramount national interest in tax rate reform as against the accumulation of lesser interests for more spending.

Enactment of the Herlong-Baker legislation would free capital and incentives for economic expansion. It would lead to the creation of new enterprises, new processes, new products and services, and new jobs. There is a desperate need for legislation of this type.

Daniel C. Lewis, on behalf of Virginia Manufacturers Association:

The trend of increasing governmental expenditures will not be halted, or even slowed, unless a contest is set up for the use of growth revenue between spending and forward-scheduled, thorough-going reform of tax rates as suggested in bills sponsored by Representative A. S. HERLONG, JR., and Representative HOWARD H. BAKER, which are before this committee.

The competition for the use of growth revenue gain is made possible in the Herlong-Baker proposal by a provision which allows postponement of scheduled reductions, in any of the 5 years needed for effectuation, when a budgetary imbalance appeared imminent * * * the Herlong-Baker bills will really enable the economy to achieve the greater, and sustained rate of growth that even the administration has conceded is essential to our well-being. * * * One of the strong features of the Herlong-Baker proposal is the provision for the use of revenue gain to offset the revenue effect of the legislation.

It is respectfully requested that this committee reject the administration's tax program * * * and instead, give urgent consideration to broad tax rate reform as set forth in the Herlong-Baker legislation.

Arthur Kemp, professor of economics, Claremont Men's College, Claremont, Calif.:

The ground for tax reform has been well cultivated by two distinguished members of your committee, Representatives HERLONG and BAKER, by their identical bills, H.R. 2030 and H.R. 2031. A consideration of this legislation, it seems to me, is an important first step in bold and imaginative political leadership.

It would be inappropriate, perhaps, for me to quote here the remarks which Mr. HERLONG made on the floor of the House on January 16, 1961, on behalf of Mr. BAKER and himself in connection with the reintroduction of their legislation. However, I do believe that these remarks should be incorporated in the record of these hearings.

The point which intrigues me * * * is the effect which the Herlong-Baker legislation would have in the rebuilding of what has become a most critical shortage in America—individual venture capital.

Too little attention has been paid to the decline in individual capital formation * * * the Herlong-Baker bills would accomplish much in that respect * * * promoting a substantial increase in individual capital formation.

I should like to conclude by complimenting this committee on the fact that there originated within its ranks a program so well fitted to the economic realities and needs of our times. You need little further advice from the administration, or from any other quarter on what to do. If you report out H.R. 2030 and H.R. 2031, you will find that there are more economists in America who will applaud your action than you might have supposed.

Charles R. Sligh, Jr., executive vice president, National Association of Manufacturers:

To release the potential for growth and good for people inherent in our free system, the purpose of tax action should be neither to stimulate nor to give, but to relieve. What this Nation needs is abandonment of the tax philosophy which places limits on growth, human well-being and national strength.

We cannot afford to whittle away tax reduction opportunities in actions which will create more problems than they cure.

The patient is ill today not because of the failure of the Government to engage in the process of transferring tax dollars from one pocket to another, but because the Government in the use of tax rates and methods has eroded his health and limited his capacity for vigorous activity. To apply a doubtful palliative at any other point would put in further jeopardy the health of the patient, and raise the question whether the cure which is already known will ever be applied in the critical decade of the 1960's.

In the second year of the 1960's, the Federal Government has not yet faced up to a problem which should have been resolved in

the mid-1950's. In the dynamics of progress, and in our position of relative strength and leadership in the world, we have slipped, seriously so. We are still way ahead of the rest of the world in accumulated strength, and in the average of citizen well-being. But it is dangerous to take comfort in what we have achieved, at the expense of facing the issue of what we must achieve from here on. Past records don't win future Olympics.

The administration's estimate that its combined (tax) program would mean an increase of 500,000 jobs must be rejected. As stated elsewhere, the likely result would be either no increase or perhaps reduction in the number of jobs which otherwise would be available.

However, if $1.7 billion in soundly conceived tax relief would result in the creation of 500,000 jobs—it becomes interesting to speculate on what thorough reform of tax rates and methods would mean for job creation.

Certainly, the result would be jobs in abundance; jobs for the unemployed, for workers who are released through modernization in particular industries, and jobs for young men and women who in rapidly increasing numbers are graduating from our high schools and colleges each year. The administration has acknowledged the role of capital formation in providing the growth and the jobs and the strength which this Nation must have. But its program as a whole does not provide one faltering step in the direction of accomplishing this objective.

No one should be allowed to get away with the thought that the issue of priority between spending and reform of tax rates and methods is simply a matter of timing. The issue is whether tax erosion of the Nation's economic strength shall be continued at full force, in order to pay further homage to social concepts of government responsibility which already has wrought too high a price in retarded progress.

The best time to act has already passed. The next best time is the present. Further delay will only make thorough reform of tax rates and methods more difficult to accomplish.

Businessmen have a self-interest in paying lower taxes but the businessman serves a larger interest when he urges moderate tax rates compatible with the character of a free economy.

More capital would mean the relatively greatest uplift to the weaker sectors of the economy—the people who need jobs, and then better jobs * * * the enterprises which don't get started and can't keep going or growing because of lack of adequate financing * * * the areas of the country in which incomes and living standards are on the lower side of the scale * * * the States which cannot hold their well-trained young men and women because of greater opportunity elsewhere.

There are five major tax blocks to progress and job creation:

Steeply graduate individual tax rates.

Excessive top rate of corporate tax.

Unrealistic length of lives and classification of depreciable property.

Taxing of gains on transfers from one investment to another.

Destructive rates of estate and gift taxes.

Reform of these rates and methods is the purpose of the legislation, H.R. 2030 and H.R. 2031, sponsored by Representatives A. S. HERLONG, JR., and HOWARD H. BAKER, of this committee, and which has such widespread support throughout the Nation.

The world is capital minded as never before. Everywhere the demand is for more capital for faster economic progress and advance in living standards. Since World War II, American policy has been to recognize the need for more capital everywhere but at home.

H.R. 2030 and H.R. 2031 would reinstate the United States as the most dynamic economy of the world, providing new opportunity to prove that capital in a free society is more productive of good for more people than under any other system.

In this dangerous age we cannot afford a lesser program.

We cannot afford further delay in enactment of this program.

Report by Congressman Laurence Curtis to the People of the 10th Congressional District of Massachusetts

EXTENSION OF REMARKS

OF

HON. LAURENCE CURTIS

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 27, 1961

Mr. CURTIS of Massachusetts. Mr. Speaker, as this session draws to a close, I think it is important to review the activities of the session.

THE COLD WAR

The House Committee on Foreign Affairs is the committee most closely concerned with the nonmilitary aspects of the cold war, the most dangerous issue now confronting the American people. I therefore report first on my work as a member of that Committee.

Although the Foreign Affairs Committee does not make or administer foreign policy—that being the constitutional function of the President and the State Department—it does authorize the spending of the funds to carry out foreign policy, and it proposes resolutions on vital foreign policy issues.

The Congress this year passed provisions against the admission of Red China to the United Nations, prohibiting assistance to the present government of Cuba, and prohibiting assistance to any other country if the President determines that it is dominated or controlled by the international Communist movement.

Berlin, Laos, and Cuba present critical problems. The Secretary of State and military leaders have kept the committee fully advised of the situations. Under the committee's procedure each member is given an opportunity to ask questions or to express his individual views. The communication is two sided and thorough. I have joined the Foreign Affairs Committee in giving the President's cold war policies strong bipartisan support. It urged firmness in the face of threats.

My votes have been cast in the realization that the present nonmilitary aggression against the United States is war; that we are in a period of great danger to our country; that Americans must have stout hearts and steady nerves and that it may be necessary to risk war in order to avoid certain war; that once a country gives in to threats, only eventual war, or surrender and enslavement, can follow.

A strong military posture is our first line of defense, and I have supported the President's policies, which have included added billions for defense, and more manpower for our military forces.

FOREIGN AID

This is the subject to which the Foreign Affairs Committee devotes its major attention.

There is growing opposition to these programs. Some of it is of the extremist variety. Much of it results from past mistakes and unsatisfactory performance of the program. But after the most detailed and lengthy hearings, a great majority of the committee, including myself, was convinced that the program must go on and past mistakes be avoided.

Foreign aid is one of America's most important tools in the cold war. The military aid now goes almost entirely to undergird the military potential of countries on the borders of Soviet bloc nations, such as Greece and Turkey. The Chairman of the Joint Chiefs of Staff and other top military officials were unanimous in stating that money spent on this aid was just as important to the defense posture of the United States as money spent on our own Defense Establishment.

The most important function of economic aid is to show developing countries that they can raise their standards of living in freedom without having to choose the road to the Soviet type of tyranny. Developing peoples want freedom, but in many cases they want economic progress even more, and are prepared to turn to Communist methods, if necessary, not realizing that such a turn will lead to Communist slavery.

The Foreign Affairs Committee heard much evidence of the extent of similar programs being undertaken by Soviet bloc nations. This is persuasive evidence of the effectiveness of our own programs.

As a result of Cuba and the threatened increase of Soviet influence in South America, the need for development aid has become greater than ever.

The act governing foreign aid was redrawn this year. It sought to tighten up the administration of foreign-aid programs, emphasize economic development, and place reliance on countrywide programs of a long-term nature rather than on more piecemeal projects. The Agency handling economic foreign aid will now be called Agency for International Development.

After some controversy as to the financing of the program, the Congress made provision for long-range planning which was satisfactory to the President. Future commitments were authorized, backed up by annual appropriations. The House refused to sanction Treasury borrowing as a method of financing development loans. I urged and supported such refusal. Treasury borrowing is also referred to as back-door financing or financing from the public debt. There is mounting feeling in the House that it is an undesirable financial practice.

The Congress reduced the funds requested by the President for foreign aid. But this was in line with past practice, and if the cuts turn out to be too hampering, further amounts can be provided for by supplementary appropriations, which can be taken up next January. Aside from the Treasury borrowing issue discussed above, I supported the President's requests.

THE MIDDLE EAST

The new foreign aid legislation reiterated support of policies which have particular application to Arab-Israel nations: Freedom of navigation in international waterways, increased economic cooperation and trade between countries, disapproval of discrimination against American citizens based on race or religion. It directed that these principles be supported in the administration of foreign aid.

The statements of these principles have this year been somewhat watered down from the stronger form in which they appeared in last year's legislation. The House retained them in their stronger form. This was done through amendments made in the Foreign Affairs Committee, one of which I offered. The Senate, at the request of the administration, weakened them, and the House had to agree to a compromise. I serve on the Subcommittee for the Middle East and have visited that area and Israel on three occasions.

PEACE CORPS

A new approach to foreign aid was inaugurated this year through the Peace Corps. The bill establishing this program was referred to the Foreign Affairs Committee, which conducted hearings and reported it favorably.

The idea of using trained young American men and women to work on cultural and development projects in many parts of the world had been discussed and studied. I took part in a study mission of members of the Foreign Affairs Committee which visited foreign projects in developing countries. It found that some of the programs looking to capital improvements had not been satisfactory.

The study mission was favorably impressed by development projects where young American college graduates were performing the type of work planned for the Peace Corps volunteers. In one project recent graduates of American agricultural colleges were working shoulder to shoulder with their Vietnamese counterparts on an experimental agricultural station, testing the adaptability to that area of produce and fibers not previously grown there. The study mission recommended projects of that type which would reach the grassroots.

I supported the Peace Corps, both as a result of this experience, and because I believe that we need more trained people working abroad to match the growing numbers of Russian and Chinese agents and "technicians." The House supported the Peace Corps by a vote of 287 in favor to 97 against. Its success will depend largely on careful selection of personnel, thorough training and wise management. The plans for its administration, training and operation appeared to be well conceived.

ARMS CONTROL AND DISARMAMENT AGENCY

The Foreign Affairs Committee also had jurisdiction over the legislation setting up the new Arms Control and Disarmament Agency. It is an expansion of the work of an existing agency within the State Department. Its primary function is to prepare for disarmament negotiations. This involves technical studies covering wide fields. It is important to the national security that this work be done with great thoroughness and competence to avoid the risk of getting trapped into unwise negotiations.

The bill established a strong independent Agency, although it is under the supervision of the Secretary of State. The Agency will point the way to areas where negotiation will be possible and where agreements will be verifiable, but the bill does not move in the direction of appeasement. It is not antimilitary, and had the support of our top military people. The House passed the bill, 290 in favor to 54 against. I voted with the majority.

The disagreement in Congress as to the name of the Agency points up the divergent views held about the Agency. At one stage it was called Disarmament Agency for World Peace and Security. At another, Arms Control Agency. The final name, a compromise, was Arms Control and Disarmament Agency.

NATO PARLIAMENTARIANS CONFERENCE

As a delegate from the House, I attended the NATO Parliamentarians Conference in Paris last November. It is a meeting of delegates from the legislative bodies of the NATO countries. The United States sent nine delegates from the Senate, and nine from the House. There were committees on military, economic, and political questions.

Discussions before the Economic Committee, of which I was a member, made it clear that the Communist bloc nations use trade not for peaceful commercial intercourse, but as a means of political and economic aggression. A dictatorship can move fast and wield unified economic power. By focusing that power on a given product or a given market the Communist bloc nations can cause total disruption. There was discussion of means by which the free world can protect itself from this type of aggression.

This Conference was a valuable experience.

DOMESTIC ISSUES

In my report of last year I said:

I have cast my votes in the direction which I believe would promote a free economy, sound money, and wise governmental economy * * * avoiding the extremes on either side.

The danger of overcentralization of governmental powers in Washington needs continual watching. Government should be kept close to the people, and local control of local matters is a cornerstone of American democracy. The fight for home rule and against unwarranted Federal interference must be a continuous one. Federal power has a tendency to feed on itself.

I still believe strongly in these principles. Many bills before the House this year aimed at desirable objectives, but went too far both as to spending and as to centralization of power in Washington. I found it necessary to vote for amendments reducing the excesses. My voting record, which will be found below, gives examples of this. In many cases a majority of the House shared that view, and amended or rejected the bills, or held them over for action next year.

As Congress completed this fall only the 1st session of the 87th Congress which lasts 2 years, legislative matters not disposed of remain active and can be taken up at the 2d session starting next January.

SPENDING

This has been a spending Congress. The world situation required increased military spending, but domestic spending was also increased, and would have been greater if the more moderate views by a majority of the House had not brought about some reductions.

The budget for the fiscal year ending June 30, 1961, had been submitted by the previous administration as a balanced budget. Due largely to increased expenditures since January, it ended up with a deficit of $3.9 billions.

A balanced budget for the fiscal year ending June 30, 1962, had been promised by the new administration, but increased expenditures have admittedly now thrown it out of balance, and a deficit of $6 or $7 billion is estimated.

The civil employment rolls have grown with a net increase of 100,000 persons since last January.

The American public must heed the warnings voiced by two great Americans, both Democrats. Congressman CLARENCE CANNON, Democrat, of Missouri, chairman of the powerful Appropriations Committee, and by no means regarded as an extreme conservative, warned the House on August 16, 1961. Referring to the current spending, he said:

Now, of course, we are not taking in money enough to pay this. * * * Ever since this session began we have been spending in the red at the rate of $1 million every hour, day and night. * * * I do not have to tell you what this is leading to. If we continue to spend at this rate, especially with these backdoor provisions, spending will accelerate at an even greater rate.

Senator HARRY F. BYRD, Democrat, of Virginia, told the Congress on September 13, 1961:

The big increases in Federal spending in the recent past, the present, and the future, have been and (short of war) will be in domestic-civilian programs; not defense or foreign aid. These programs are financed through both the regular budget and trust funds. * * * Indefinite deficit financing of vast increases in both nondefense and defense expenditures at the same time will create uncontrollable inflation and reopen the run on our gold. These are elements of weakness.

DOMESTIC LEGISLATION

That part of the President's program dealing with familiar issues previously before the Congress was the most successful. Much of it was enacted, although often in modified form: foreign aid, stepped-up defense, housing, minimum wage, pollution control, depressed areas, judgeships. New programs established the Peace Corps and the Arms Control and Disarmament Agency.

Other parts of the President's program were less successful. The education bills were lost in a morass of cross currents, including religious and racial questions. Tax proposals went by the board, including increased postal rates to reduce the postal deficit. The farm program was refused in part, while part of it went through in modified form. The powerful

Ways and Means Committee decided to postpone consideration of medical care for the aged under social security.

The following issues deserve special comment. Other issues are discussed in connection with my voting record, reported on below.

MINIMUM WAGE

A partisan note was injected into the discussion of minimum wage legislation. It was pointed out that the President as a Senator had a year ago refused an increase to $1.15 an hour, while insisting on $1.25. But this year his bill provided for an immediate increase only to $1.15 and a postponed increase to $1.25 in 1963, and was passed in that form. It was argued that but for the President's insistence a year ago on an immediate increase to $1.25, the increase to $1.15 could have been had a year sooner.

CIVIL RIGHTS

The administration was criticized for lack of legislation on civil rights, despite platform and campaign promises. It decided to seek progress through executive action rather than through legislation. It seemed clear that the President did not desire the divisive effect on Democrats in the Congress at the start of his administration which would have followed a drive for civil rights legislation.

The executive action brought the Federal power to bear in the enforcement of existing laws protecting minority rights in voting, school segregation, interstate transportation, and jobs with the Government and its contractors.

The Congress extended the life of the Civil Rights Commission for 2 years. The Commission has recommended legislation to prevent the unfair use of educational requirements to block the registration of voters; to extend the rights of the Attorney General to intervene in cases involving deprivations of constitutional rights beyond the present law which limits such intervention to cases involving voting rights; to require every segregated school district in the South to produce within 6 months a plan of desegregation. Further legislation is needed and must be taken up next year. It will have my wholehearted support.

IMMIGRATION

An immigration bill was passed this year which will be helpful in many respects, but does not face up to the issue of discrimination resulting from the quota system. The new law makes permanent the provisions regarding the admission of orphans and adopted children, provides an appeal in deportation cases, and speeds the admission of certain applicants entitled to a preference. Bills seeking more extensive revision of the law have been filed and must be taken up next year. They will have my support.

SOCIAL SECURITY

Social Security benefits were again increased, mostly for those in the lower ranges. Men as well as women were made eligible to retire at age 62 on benefits somewhat reduced from what they would receive if they retired at age 65. Payroll deduction and employers' contributions—both really taxes—were slightly increased to cover the cost of the above changes. These increases are in line with developments over many years of gradually increasing benefits. The average monthly old-age retirement benefit has increased as follows: 1950, $43; 1955, $61; 1960, $74.

The so-called retirement test governing the amount which a person may earn after retirement without forfeiting any part of his retirement benefits was again slightly increased. I have filed a bill and have strongly supported legislation to bring about a larger increase.

MASSACHUSETTS PROBLEMS

Massachusetts problems, of course, receive my special attention.

Bills beneficial to Massachusetts, which were enacted and which I worked for, were: to establish the Cape Cod National Park; an appropriation for the development of the Minuteman National Park in Concord and along the "battle road"; an appropriation to transfer the Quartermaster Container Institute from Chicago to the Quartermaster Research and Engineering Center at Natick, Mass., where the Army felt it could function more efficiently.

I worked to see that Massachusetts got its fair share of appropriations for such programs as urban renewal, airport construction, military construction, flood control.

On the other hand it is necessary to oppose bills that are unfair to Massachusetts.

Some of the programs for Federal grants-in-aid to the States have a tendency to drain money unfairly from Massachusetts taxpayers for the benefit of other sections of the country whose industries are in competition with ours.

Massachusetts people are ready to do their fair share on problems of truly national importance, but when Federal aid is provided for the solution of local problems, Massachusetts—a high Federal taxpaying State—usually suffers. It is necessary to be constantly on the alert to see that Federal aid is not taken advantage of by other areas whose combined legislative power is great, to the disadvantage of Massachusetts.

Many problems affecting Massachusetts must be handled by the executive departments rather than by legislation. The Massachusetts congressional delegation acts as a unit in seeking action favorable to Massachusetts. I have joined in these efforts, and have personally taken up many of these problems with the departments concerned.

Such problems are: efforts to have some of the facilities for the proposed moon shot—Project Apollo—located in Massachusetts; relief for railroads; opportunities for small business, which is of particular importance to Massachusetts; removal of quotas on the imports of residual oil which hurt our area; fair protection of the textile industry; protection for the fishing industry; maintenance of the workload at the Boston Shipyard and Watertown Arsenal in order to preserve job opportunities.

VOTING RECORD

As the fairest and most impartial way of reporting on the highlights of my voting record at this session, I am listing the votes chosen annually by the New York Times as the key House rollcall votes of the year.

NEW YORK TIMES KEY ROLLCALL VOTES, 1961

(What follows is copied directly from the New York Times except for the addition under each item of how CURTIS voted and of his comment on the vote.)

1. Enlarge Rules Committee: January 31, 1961, RAYBURN, Democrat, of Texas, proposal to enlarge Rules Committee membership from 12 to 15 members, increasing Democratic membership by two and Republican membership by one. Passed: Yea, 217; nay, 212. Democrats: Yea, 195; nay, 64. Republicans: Yea 22; nay, 148. CURTIS voted nay.

It was argued that this enlargement was intended to reform the Rules Committee so that it would not hold back bills from House consideration as it had done in the past. I believed that it was really an effort to transfer the power of the Rules Committee from the hands of one group to another group. Subsequent events have justified that belief, as the enlarged Rules Committee has withheld as many bills from House consideration as did the previous committee before enlargement.

2. Minimum wage: March 24, 1961, KITCHIN, Democrat, of North Carolina; AYRES, Republican, of Ohio, substitute amendment to the administration's fair labor standards proposal. The amendment limited the President's proposal of a $1.25 an hour minimum wage to $1.15 an hour and reduced the number of persons affected. Passed: Yea, 216; nay, 203. Democrats: Yea, 74; nay, 177. Republicans: Yea, 142; nay, 26. The Senate bill, which prevailed, provided for a $1.25 minimum. CURTIS voted for the Kitchin-Ayres substitute.

The above description of the President's proposal is subject to criticism. The bill bringing forward the President's proposal when the Kitchin-Ayres substitute amendment was presented did not call for an immediate increase to $1.25 an hour. It called for an increase to $1.15, together with a postponed increase to $1.25 to be effective in 1963.

I voted for the immediate increase to $1.15 as provided for in the Kitchin-Ayres substitute, but felt that the postponed increase for 1963 should be passed on at a later date. I also felt that some of the increases in the number of persons affected in the President's bill violated the concept of interstate commerce, which was the ground for Federal jurisdiction over those persons. I therefore voted for the Kitchin-Ayres substitute as a more reasonable bill.

3. Depressed areas: April 26, 1961. Conference report compromising Senate-House differences and authorizing direct borrowing from the Treasury, in lieu of congressional appropriations, for Federal loans to areas of chronic economic distress. Passed: Yea, 224; nay, 193. Democrats: Yea, 193; nay, 56. Republicans: Yea, 31; nay, 137. CURTIS voted "nay."

I disapproved of Treasury borrowing, also known as back-door financing, as a means of providing funds for this program. I also believed that the bill was highly disadvantageous to Massachusetts. Many commentators felt that rural areas had been included in order to attract southern votes.

4. Housing: June 22, 1961. Administration's proposed Housing Act of 1961, author-

izing $4,900,000,000 in Federal grant and loans over a 4-year period. Passed: Yea, 235; nay, 178. Democrats: Yea, 210; nay, 38. Republicans: Yea, 25; nay, 140. CURTIS voted "yea."

I believed that this bill went too far in some respects, but nevertheless voted for it, feeling that the good outweighed the bad.

5. Omnibus farm bill: August 3, 1961. Acceptance of the conference report compromising Senate-House differences on the Agricultural Act of 1961, extending production and price controls but not including a controversial proposal authorizing the Secretary of Agriculture to establish commodity control programs unless Congress objected within 60 days. Passed: Yea, 224; nay, 170. Democrats: Yea, 175, nay, 58. Republicans: Yea, 49; nay, 112. CURTIS voted "nay."

I believed that this bill represented a continuation of discredited farm policies, and would not bring surplus production under control as claimed. Subsequent events have justified that view.

6. Foreign aid: August 18, 1961. Final passage of the $4,368,500,000 authorization without the provision, requested by the President, for long-term borrowing authority. Passed: Yea, 287; nay, 140. Democrats: Yea, 195; nay, 63. Republicans: Yea, 92; nay, 77. CURTIS voted "yea."

The bill authorized long-range planning, but eliminated the borrowing authority as the result of a compromise satisfactory to the President. I have supported foreign aid.

7. School aid: August 30, 1961. Emergency Educational Act of 1961—a compromise offered after other permanent school legislation bogged down in the Rules Committee—providing $325 million for a 1-year public school classroom construction program. The bill also extended for 1 year student loan provisions of the National Defense Education Act, and extended the existing program of aid to schools in federally impacted areas. Rejected: Yea, 170; nay, 242. Democrats: Yea, 164; nay, 82. Republicans: Yea, 6; nay, 160. CURTIS voted "nay."

The question before the House on this vote was not passage of the bill, but was whether to take up consideration of the bill under the unfamiliar Calendar Wednesday procedure. This was a hastily thrown together and ill-conceived bill. Although it brought forward some entirely new approaches to the problem, the procedure used to bring it before the House was unfair and gave insufficient time for consideration. The fact that the House refused even to consider the bill by a vote of 242 against to 170 in favor is eloquent testimony. Even the National Education Association opposed the bill.

Subsequently the House passed bills extending the impacted area and NDEA laws, and I voted for them.

CURTIS BILLS

It is the practice of some Congressmen to file a large number of bills, many of which are repetitions of other bills already before the Congress on subjects of popular interest. I have not followed that practice, but have limited my bills to matters of special interest to the 10th District or to matters which I felt were insufficiently covered.

Among the bills which I filed this year were the following:

H.R. 5975, to increase earnings limitations for persons retired under social security to $2,400.

H.R. 4730, to equalize overtime and holiday pay for substitute postal employees with those of regular employees.

H.R. 2884, to make veterans disability benefits the same whether the disability was incurred in peacetime or in wartime.

H.R. 3432, to extend to Government employees who are not veterans the same rights of appeal on civil service questions as are now given to Government employees who are veterans.

H.R. 2754, to rename the Veterans' Administration hospital on South Huntington Avenue in Boston as the Edith Nourse Rogers Memorial Veterans' Hospital.

H.R. 5113, to authorize the Veterans' Administration to provide space for State veterans' agencies as they now do for certain national veterans' organizations, as desired by the Massachusetts Office of Veterans' Services.

These bills will be further taken up at the second session of the present Congress.

PRIVATE BILLS

I also filed nine private bills relating to individual problems regarding immigration. These usually seek an exception to some law or regulation which would create hardship if literally applied.

The objectives of two of these bills were accomplished by administrative action. The remainder will be considered at the next session beginning in January. As Congress completed this fall only the 1st session of the 87th Congress which lasts 2 years, pending legislation will be carried over until Congress reconvenes in January.

OTHER ACTIVITIES

I believe that one of my major duties is to see to it that constituents are fairly treated in all their dealings with the Federal Government. I maintain offices open throughout the year in both Boston and Washington for every possible service to constituents. I conduct periodic meetings with constituents in every section of the district.

My newsletters published in the local press seek to keep people in touch with matters of interest in Washington, and report on my activities. I both write these letters and do the necessary research myself.

In appearances at local gatherings I have pointed out the falseness of Soviet claims—especially those relating to peaceful coexistence, immediate and total disarmament, and Western colonialism. I have urged greater understanding and appreciation of the American heritage of freedom. I have urged increased efforts in the cold war, especially in the field of propaganda in which the Soviet-bloc nations have so outmatched us.

CONCLUSION

In closing this report, I express my appreciation to the people of the 10th District for the honor and privilege of representing them in the Congress of the United States.

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Either House may order the printing of a document not already provided for by law, but only when the same shall be accompanied by an estimate from the Public Printer as to the probable cost thereof. Any executive department, bureau, board, or independent office of the Government submitting reports or documents in response to inquiries from Congress shall submit therewith an estimate of the probable cost of printing the usual number. Nothing in this section relating to estimates shall apply to reports or documents not exceeding 50 pages (U.S. Code, title 44, sec. 140, p. 1938).

Resolutions for printing extra copies, when presented to either House, shall be referred immediately to the Committee on House Administration of the House of Representatives or the Committee on Rules and Administration of the Senate, who, in making their report, shall give the probable cost of the proposed printing upon the estimate of the Public Printer, and no extra copies shall be printed before such committee has reported (U.S. Code, title 44, sec. 133, p. 1937).

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Messrs. Robertson (chairman), Sparkman, Douglas, Clark, Proxmire, Williams of New Jersey, Muskie, Long of Missouri, Mrs. Neuberger, Messrs. ———, Capehart, Bennett, Bush, Beall, Javits, and Tower.

Committee on Commerce

Messrs. Magnuson (chairman), Pastore, Monroney, Smathers, Thurmond, Lausche, Yarborough, Engle, Bartlett, Hartke, McGee, Schoeppel, Butler, Cotton, Case of New Jersey, Morton, and Scott.

Committee on the District of Columbia

Messrs. Bible (chairman), Morse, Hartke, Smith of Massachusetts, Beall, Prouty, and Miller.

Committee on Finance

Messrs. Byrd of Virginia (chairman), Kerr, Long of Louisiana, Smathers, Anderson, Douglas, Gore, Talmadge, McCarthy, Hartke, Fulbright, Williams of Delaware, Carlson, Bennett, Butler, Curtis, and Morton.

Committee on Foreign Relations

Messrs. Fulbright (chairman), Sparkman, Humphrey, Mansfield, Morse, Long of Louisiana, Gore, Lausche, Church, Symington, Dodd, Wiley, Hickenlooper, Aiken, Capehart, Carlson, and Williams of Delaware.

Committee on Government Operations

Messrs. McClellan (chairman), Jackson, Ervin, Humphrey, Gruening, Muskie, Mundt, Curtis, and Javits.

Committee on Interior and Insular Affairs

Messrs. Anderson (chairman), Jackson, Bible, Carroll, Church, Gruening, Moss, Long of Hawaii, Burdick, Metcalf, Hickey, Dworshak, Kuchel, Goldwater, Allott, Miller, and Dirksen.

Committee on the Judiciary

Messrs. Eastland (chairman), Kefauver, Johnston, McClellan, Ervin, Carroll, Dodd, Hart, Long of Missouri, ———, Wiley, Dirksen, Hruska, Keating, Cotton, and Fong.

Committee on Labor and Public Welfare

Messrs. Hill (chairman), McNamara, Morse, Yarborough, Clark, Randolph, Williams of New Jersey, Burdick, Smith of Massachusetts, Pell, Goldwater, Case of New Jersey, Javits, Prouty, and Tower.

Committee on Post Office and Civil Service

Messrs. Johnston (chairman), Monroney, Yarborough, Clark, Jordan, Randolph, Carlson, Fong, and Boggs.

Committee on Public Works

Messrs. Chavez (chairman), Kerr, McNamara, Randolph, Young of Ohio, Muskie, Gruening, Moss, Long of Hawaii, Smith of Massachusetts, Metcalf, Case of South Dakota, Cooper, Scott, Prouty, Fong, and Boggs.

Committee on Rules and Administration

Messrs. Mansfield (chairman), Hayden, Jordan, Cannon, Hickey, Pell, Curtis, Keating, and Miller.

UNITED STATES SUPREME COURT

Mr. Chief Justice Warren, of California, Hotel Sheraton-Park, Washington, D.C.
Mr. Justice Black, of Alabama, 619 S. Lee St., Alexandria, Va.
Mr. Justice Frankfurter, of Massachusetts, 3018 Dumbarton Ave.
Mr. Justice Douglas, of Washington, 4852 Hutchins Pl.
Mr. Justice Clark, of Texas, 2101 Connecticut Ave
Mr. Justice Harlan, of New York, 1677 31st St.
Mr. Justice Brennan, of New Jersey, 3037 Dumbarton Ave.
Mr. Justice Whittaker, of Missouri, 5000 Van Ness St.
Mr. Justice Stewart, of Ohio, 5136 Palisade Lane.

OFFICERS OF THE SUPREME COURT

Clerk—James R. Browning, 454 New Jersey Ave. SE.
Deputy Clerk—Edmund P. Cullinan, 4823 Reservoir Rd.
Deputy Clerk—Richard J. Blanchard, 427 St. Lawrence Dr., Silver Spring, Md.
Marshal—T. Perry Lippitt, 6004 Corbin Rd.
Reporter—Walter Wyatt, 1702 Kalmia Rd.
Librarian—Helen Newman, 126 3d St. SE.

UNITED STATES JUDICIAL CIRCUITS
JUSTICES ASSIGNED
TERRITORY EMBRACED

District of Columbia: Mr. Chief Justice Warren. District of Columbia.

First judicial circuit: Mr. Justice Frankfurter. Maine, Massachusetts, New Hampshire, Puerto Rico, Rhode Island.

Second judicial circuit: Mr. Justice Harlan, Connecticut, New York, Vermont.

Third judicial circuit: Mr. Justice Brennan. Delaware, New Jersey, Pennsylvania, Virgin Islands.

Fourth judicial circuit: Mr. Chief Justice Warren. Maryland, North Carolina, South Carolina, Virginia, West Virginia.

Fifth judicial circuit: Mr. Justice Black. Alabama, Canal Zone, Florida, Georgia, Louisiana, Mississippi, Texas.

Sixth judicial circuit: Mr. Justice Stewart. Kentucky, Michigan, Ohio, Tennessee.

Seventh judicial circuit: Mr. Justice Clark. Illinois, Indiana, Wisconsin.

Eight judicial circuit: Mr. Justice Whittaker. Arkansas, Iowa, Minnesota, Missouri, Nebraska, North Dakota, South Dakota.

Ninth judicial circuit: Mr. Justice Douglas. Alaska, Arizona, California, Idaho, Montana, Nevada, Oregon, Washington, Guam, Hawaii.

Tenth judicial circuit: Mr. Justice Whittaker, Colorado, Kansas, New Mexico, Oklahoma, Utah, Wyoming.

neutrality will be guaranteed whatever its decision.

I do not suggest that all the most difficult questions should at once be presented to a neutral forum. Let the decisions which are on the fringe of acceptance be presented, so that the parties may be oriented toward conciliation and so that the neutral may be able to develop and perfect the machinery.

A CONCLUSION

It may well be that the system which I propose may establish a method for settling many of the perplexing problems which divide smaller nations and which in the sum total of international affairs add to the dangers which confront us.

Wisdom and righteousness are not necessary attributes of power. A small nation such as Switzerland—without an ax to grind—and guaranteed its own peaceful existence—might be the means for a peaceful solution of many of the difficult problems which in themselves may be no more important than whether the child did or did not go to the picnic.

I conclude with what I sincerely believe. The American people and their Government passionately and devoutly desire an honorable peace and freedom for all mankind. I suggest this proposal to permit both sides to test their positions at the bar of public opinion and to attempt to resolve their differences peacefully before a neutral forum.

Comdr. Robert E. Hansen, Head of VFW, Takes Stand Against Communism

EXTENSION OF REMARKS
OF

HON. JOHN R. PILLION

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, August 28, 1961

Mr. PILLION. Mr. Speaker, on August 25, the Veterans of Foreign Wars of the United States, officially received their new commander in chief, Robert E. Hansen.

Commander Hansen, a patriotic American of whom the VFW can be justly proud, presented his acceptance speech at the organization's national convention, held at the Fontainebleau Hotel in Miami Beach, Fla.

In his acceptance speech, Commander Hansen clearly pointed out the dangerous pitfalls that result from the widespread apathy that exists in this country in the face of the Communist threat.

In order to arouse the American people to a state of awareness of the Communst enemy, Commander Hansen suggests a workable 10-point program.

The text of Commander Hansens' program follows:

ACCEPTANCE SPEECH, ROBERT E. HANSEN, COMMANDER IN CHIEF, VETERANS OF FOREIGN WARS OF THE UNITED STATES, AUGUST 25, 1961

I find myself at a loss for words to express my gratitude. The only words that seem adequate at the moment are "thank you," thank you from the bottom of my heart. During the coming 12 months I promise to give to our great organization my every waking moment. I will do everything in my power to carry on the great traditions of the commanders in chief who have preceded me. Thank you again.

Now as we embark on this new year, I would like to outline to you some of the objectives that we hope to reach. First, we shall continue our efforts in behalf of more liberal veterans benefits with special emphasis on relief for our World War I comrades; second, we shall keep a watchful eye on the defense posture of our Nation and if we note any trend to slip back into the old rut, we shall speak out loud and clear so that everyone might hear; and finally, I propose to institute a positive, affirmative program of Americanism that will reach into every community in this Nation to strengthen patriotism and love of country among our people, to strengthen their dedication to individual liberty and to free institutions.

For too long the people of this country have believed that, somehow or other, our troubles would go away, that everything will turn out all right, that there will be a happy ending. We thought the great depression would go away. We thought the Nazis would go away. And there are many who seem to feel that communism will just, somehow, fade away. "Let George do it," let the other fellow do the worrying and the struggling, the fighting and the dying—but not me—that has been the undoing of whole nations and civilizations. What we must realize is that no one is going to save us from Khrushchev but ourselves.

It is this Nation, and this people, that must rouse itself, remembering our great traditions, our great heritage. It is the great, beloved America that must place itself in the front of the battleline, in the place of honor, where the fire is fiercest and the danger sharpest. For to win the great struggle with the Communist world will require a total national effort, one to which every citizen must contribute. And this great organization of veterans who have served their country overseas, has a significant role to play in rallying our people to a stronger, more solid, more dynamic effort in the world struggle.

No contest such as we are engaged in with the Communists can be won with a defensive team alone. We must have teams on every level with positive programs. These teams must operate in organizations, in communities, in States, in the Nation, and internationally. Our total aim must be more than merely to defend a narrowing circle of free peoples. If we are to survive, we must extend the area of freedom. We must do—as we did with nazism—seek complete worldwide victory.

To accomplish this task I suggest a workable 10-point program. It is practical. We can activate it. It will achieve our objectives.

Point No. 1. We must identify the enemy. Confusion among the people as to the enemy who have been warring against us has split our efforts and misdirected our policies. Our actual enemies are the Communist Parties. These control the governments of all Communist-run nations, including the Soviet Union. These parties have declared war against all free peoples repeatedly.

Point No. 2. We must know the enemy. Lenin built a corps of disciplined political shock troops and called them Communists. They fashioned many unorthodox weapons. They use agitation, propaganda, deception, political maneuver, incitment to riot, guerrilla warfare, and civil war as parts of their total war against us. We must learn how these weapons are used, and the plans and strategies behind them. I wish to stress here that we must be very, very careful not to confuse patriotic Americans of democracy, with Communists.

Point No. 3. We must create effective countermeasures. Some people say that to defend ourselves against the Communists we must adopt the Communist weapons and Communist tactics. It would be a sad day if America in an effort to combat communism at home, would adopt the Communist tactics of smearing, distortion, and character assassination. The Veterans of Foreign Wars will not condone such tactics. We do need to develop effective measures to counter Communist expansion. We must muster our full resources, make use of our economic power, our educational structure, our great agricultural productivity. We need to have our Nation humming at full productivity, with full employment.

Point No. 4. We must decide to win. Some may say that this is an obvious point. I say it is the most important step we must take. A people which is willing to settle for the status quo, is bound to lose ground in the kind of war we find ourselves in. Such an attitude means that we will wait for the enemy to make a move before we try to defend ourselves. The struggle can be over before we know it has begun. This happened in Cuba. It could happen throughout all of Latin America. We must move from a policy of merely trying to defend the status quo to a policy of positive, affirmative programing. Any sportsman knows that the best defense is a good offense. It is high time that we let the Communists sweat about what we are going to do next."

Point No. 5. We must develop specific campaigns. As in military warfare, a campaign is designed to achieve specific objectives on a planned timetable. One campaign must be to support economic programs that will destroy the seedbed of communism. Communists make great use of agitation and propaganda, but they can succeed only where people are so distressed and hopeless that anything looks good to them. Communist agitators, working within a hopeless and desperate society, can ride the crest of popular discontent into power. Campaigns to counteract these destructive attacks must have two parts—one is to provide the best possible positive leadership in the community, the State, and the Nation; the other is to know Communist techniques and tactics and when to move in to defeat them. Know the facts and act.

Point No. 6. We must act upon the community level. We all live in communities. This is the starting point. It is not so much the fear that the few thousand ragtag Communist Party members in the United States are going to somehow take over the country. I have no fear that the American people would ever be so blind and stupid as to exchange their free society for communism.

The danger is that our society could someday grow so soft and weak, so fat and listless, that we could not do the things that we must do in the world if we are to survive as a great nation.

The Communists, and other radical groups who preach hate and intolerance, seek to sow the seeds of discord and distrust among us. They seek to turn group against group, brother against brother, to undermine confidence, to destroy love of country, to encourage cynicism and contempt for democracy and liberty. We of the Veterans of Foreign Wars have fought for better communities, better opportunities, a better life for ourselves and for all those whom we defended in battle. You can make sure this fight is won now, today, by giving our own communities active, effective positive leadership in solving community problems—be they unemployment, lack of opportunity for youth, or just poor garbage collection service. The stronger and more successful our families, our neighborhoods, and our cities the more powerful are the forces in America that resist Communist attacks.

Point No. 7. We must act upon the State level. Each of our 50 great States has its